

Democratic Consolidation in Nicaragua: 1979-2003

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In 1979, the Central American nation of Nicaragua, seething with political and economic discontent under an unjust and heavy-handed dictatorship slipped the reigns of autocracy and proceeded through two decades of political and economic growth that included aspects of Marxism, Leninism, Liberation theology, free market reforms, and democracy. It was one of several nations that made up the aptly named “Third Wave” of democratization, which in the late 20th century swept through significant areas of Southern, Central, and Eastern Europe, Latin America, and South and Southeast Asia, causing the number of governments classified as “democracies” to nearly triple. In Central America, Nicaragua was nearly unique in making this perilous and dangerous transition. Samuel Huntington, who coined the phrase “the Third Wave,” described two previous waves of democratization: one taking place in the second half of the 19th century and another in the two decades after World War II, and pointed out that in each case a percentage of fledgling democracies failed to consolidate completely and collapsed into other forms of government (Diamond 1997, 1-3). This paper looks at Nicaragua since 1979, whose transition has by no means been straightforward, and whose political transformation has been marred by elements as diverse as foreign governmental intervention, civil war, and economic collapse. Since any transition to democracy is fragile and by no estimation a forgone conclusion, this paper looks at Nicaragua's political transformation in order to determine if liberal democracy has indeed progressed in the 24 years since the Revolution, and estimates its prospects for the future.

Democracy exists in such varied forms from country to country that a precise definition can be elusive. But Diamond (1997) provides some guidelines. Electoral democracy is a “civilian, constitutional system in which the legislative and chief executive offices are filled through regular, competitive, multiparty elections with universal suffrage.” There is an emphasis placed on the need for recurring elections, and most descriptions of electoral democracy include the existence of freedoms essential to permit the election system to function fairly, including freedoms of speech, assembly, and the press. But Liberal democracy extends those concepts to provisions for civic pluralism and individual and group freedoms, and demands a rule of law under which all citizens and agents of the state have true and legal equality (Diamond 8-11). It is with these criteria that Nicaragua's transition to democracy is analyzed in this paper.

Somoza

Nicaragua was ruled since 1934 by what was essentially a military dictatorship: the Somoza dynasty, which enjoyed strong support from the United States government. Elections were held periodically, but the Somoza family benefitted enormously from an electoral system which was manipulated dexterously through the presence of a token opposition which never

won elections. In compensation for having legitimized electorally the Somozas' continued rule the minority participants were given minor roles in government. Not until the third Somoza – Anastasio Somoza Debayle – whose cruelty and avarice was unprecedented even by Somoza standards, had the political base sufficiently weakened underneath the family to permit an overthrow by the Sandinistas and their supporters. It is important to point out that in spite of semi-regular elections, Nicaragua's government under Somoza could not be considered democratic, as most elements common to modern democracies – recourse under the law, fair and meaningful elections, popular participation in government – were absent (Walker 1997: 4-20).

The Sandinista Revolution (1979)

The Sandinista Revolution in 1979 provided the first elements of democracy in Nicaragua. Never a completely Leninist regime but rather a mix of radical leftist and center-leftist elements strongly influenced by liberation theology, the Sandinistas' strong sense of nationalism provided the basis for a popular movement and for mobilization of the Nicaraguan society; laying the groundwork for popular participation in government affairs (Barnes 87-88). The revolutionary government was above all committed to social and economic change in order to redress the enormous societal inequities resulting from the Somoza years, and in instituting those changes they enabled and promoted democratic participation. One of their first achievements was the establishment of a Statue of Rights and Guarantees, which for the first time in Nicaraguan history permitted freedom of political association. This was an important democratic advance. Paradoxically, electoral democracy was de-prioritized and wouldn't be developed until later under Sandinista leadership. The triumphant swell of popular support for the revolution made the need for elections seem superfluous in the early days of the Sandinista government. It was a regrettable – and in hindsight, consequential – oversight. Focusing instead on popular democracy through participation in governmental affairs, the Sandinista government began to restructure the market and agricultural systems (Wheelock Román 73-74).

Although portrayed in the popular American press as a totalitarian regime, there was indeed political space for participation and even for some criticism. Interestingly, the Sandinista government permitted dissent by opposition groups *in spite of*, not because of, American intervention. When American aggression was at its most acute, the Sandinistas curtailed representation and other civil liberties, then reinstated those liberties in time for the 1984 elections, subsequently restricting them again. It was a direct consequence of the political pressure the United States exerted on the Sandinista government that the Sandinistas, for fear

of an uprising from within, begin to restrict Nicaraguan freedoms. The first entity to be restricted was the press; other organizations came under the knife afterwards (Wheelock Román 74-78).

But in general, popular participation was not just tolerated but was encouraged. This was one of the Sandinistas' lasting legacies in Nicaragua. Mass movements such as UNAG (*Unión Nacional de Agricultores y Ganaderos*, the national agrarian league) and UTC (*Unión de Trabajadores del Campo*, the labor union) were developed specifically to permit popular participation in the government and help shape policy, and were inarguably an advance for Nicaraguan democracy. But the greatest contribution of the Sandinista government – and of the Revolution as a whole – to the democratic process in Nicaragua was its commitment to a socially-aware and socially-involved population. The Sandinistas promoted the widespread formation of grassroots organizations through which Nicaraguans for the first time debated and took part in the revolutionary government. The Sandinista' government allowed non-FSLN parties to have (limited) representation in the government, and the Council of State passed election and party laws that had been heavily influenced by the opposition (Booth 1999).

The transition to elements of democracy continued in 1984, when the Sandinista were faced with the unenviable challenge of having to reform their institutions in the midst of a war. Their governmental structure had grown out of the Sandinistas' roots as a guerrilla army and as such, tended to be hierarchical and rather rigidly vertical. In 1984, elections were held, effectively making the president a civilian. The transition to civilian government was yet another crucial step in the consolidation of Nicaraguan democracy (Wheelock Román 74-78).

In retrospect, the gains in democratic processes during the decade of Sandinista leadership are remarkable and unparalleled elsewhere in Central America. The Sandinista revolutionary government and the social forces that led to Somoza's downfall were factors that undeniably shaped the character of Nicaraguan democracy and led unmistakably to the strengthening of the democratic process. The revolution, not carried out by political elites as is typically the case but instead by a mass popular movement, formed and capitalized upon the willingness of the Nicaraguan people to take part in and be represented by their government. The Sandinista regime's development of popular movements was a natural extension of that process. It was the regime's inability or unwillingness to subsequently permit complete autonomy of the mass movements that, in a state of war, exacerbated its downfall. In retrospect, while permitting more popular dissent would have perhaps led to greater instability in the short run, its effect on democracy in the long run would have been overwhelmingly strengthening (Williams 1994).

Elections

Diamond (1999) notes the powerful relationship between democracy and liberty, and the correlation between free elections and degree to which a regime is liberal, and subsequently the correlation between liberalness and human rights . Free and fair elections are therefore a logical indicator through which we can assess the advance in liberal democracy (Diamond 1997, pp. 4-5). Nicaragua's elections provide powerful insight into the political process and the growth of democracy over the past twenty years.

The 1984 election

Upon realizing the need for an election to validate the government's position and reassert the legitimacy of the Sandinista government, elections were called in the year 1984. The Sandinistas won with a favorable margin, but the legitimacy of the election itself was hotly contested afterwards. Much was at stake in 1984. The United States under the Reagan administration asserted the elections had been a sham because the ability of opposition political parties to present their views in the popular media had been hampered by the Supreme Electoral Council (CSE), which was Sandinista. While there was some validity to those claims, election monitors generally found the elections had been fair and without bias, and that the outcome reflected the electorate's will. Independent observers found the election had truly been a secret ballot with no irregularities in voting or vote counting, nor evidence of coercion of the voters. Rather, the decision of opposition groups to drop out of the elections was determined to be the result of American pressure in an effort to discredit the elections (Crahan 108-109). The net effect of the 1984 election was positive if for no other reason than because it established the precedent of holding elections. The importance of this election because of the strengthening and consolidation effect it had on democratic rule is evident in both the scope and the quality of voter participation during both the election and the campaigns that led up to it. Approximately 94% of eligible voters registered for the election and 75% of those people cast ballots. Moreover, a tremendous amount of citizen participation occurred in the campaigns and rallies that led up to the election (Williams 1990).

The 1990 election

The concurrence of reduced American support – both financial and moral – for the Contra guerrillas, the beginning of the Soviet Union's eventual collapse, and a Nicaraguan nation exhausted from a decade of civil war, led to elections in 1990 as the best alternative to renewed fighting. The Sandinista government took the opportunity to strengthen the electoral process in order to reduce any opportunity for the United States to claim the elections had been fraudulent. These electoral reforms included improved access to the media for

opposition parties, the suspension of the military draft, the granting of limited amnesties and the guarantee of participation by the opposition. The Sandinistas also agreed to allow official observers from the United Nations and the Organization of American States monitor the elections. Voters responded in kind, and an even higher voter turnout was recorded than in 1984 – fully 86 percent of registered voters cast ballots. Monitors agreed that voters had meaningful choices in the elections, and participated accordingly (Williams 1990).

The 1990 election advanced liberal democracy in several ways. First was the establishment of clear ground rules by the FSLN and opposition parties that all sides agreed to abide by as well as guarantees by all parties they would abide by the results of the election. Daniel Ortega, running on the Sandinista ticket lost to UNO candidate Violeta Chamorro. But Ortega's conciliatory gestures to Chamorro were equally important for the nation and for the support of the democratic process: his behavior enabled a relatively smooth transition to the government. Less promising was the behavior of UNO, which had laid the groundwork necessary in order to claim the elections were invalid in case of a Sandinista victory (Williams 1990).

Though the elections were widely celebrated as the triumph of democracy over socialism in a free and fair contest, skeptics maintained that democracy and its principles had not been the cause of Chamorro's victory but rather that the Nicaraguan people had voted in order to stop the civil war that had so decimated the nation during the past decade; Violeta Chamorro's UNO coalition just happened to be the non-Sandinista ticket. Alexander Cockburn wrote in the Wall Street Journal (1990), “There was no victory for democracy in Nicaragua last Sunday. The victory was for violence and the lesson was that violence pays. After more than a decade of being bled dry by a powerful and relentless enemy – the United States – a majority of Nicaraguans chose realism over nationalism and said Enough.” (Cockburn 1990). Cockburn is certainly not the only author to point out the paradox of the United States paradox of promoting democracy and freedom by manipulating elections and arming opposition groups. This element of the 1990 election can not be overlooked when analyzing Nicaragua's consolidation of democracy.

The 1996 election

Chamorro had made it clear from the start of her term she would not run for reelection in the 1996 election. Over the course of her term, the Sandinista party had split into the FSLN, of which Ortega was the undisputed *caudillo*, and the Movimiento Renovador Sandinista (MRS), whose leadership questioned the goals of the FSLN and sought a new alternative. Daniel Ortega ran as candidate of the FSLN but lost to former mayor of Managua Arnoldo Aleman, who represented Somoza's Liberal party. When Chamorro turned over the

government to Aleman it was the first time in Nicaragua's history that one democratically-elected leader had been replaced by another. Preliminary statistics showed that Aleman had won 51 percent of the vote to Daniel Ortega's 37.7 percent. But even while international organizations hastened to praise the elections, in a blow to electoral democracy, evidence accumulated that the election process had been flawed. The FSLN and other political parties immediately decried the perceived "fraud" in the electoral process and the Supreme Court was called upon to make sense of the election results over the next month. Though the Supreme Court made no revelations that undermined the outcome of the elections, the momentary panic and popularly perceived flaws in the system led to an irreversible loss of prestige for the Nicaraguan electoral system (Walker 1997: 305-311).

The National Assembly was largely to blame for the irregularities: First amongst the criticisms was the poor administration of the identity card system whose purpose had been to regulate the voting process. The National Assembly delayed until the election year the law that made identity cards ("*carnets*") a mandatory part of the electoral process and thus forced the Consejo Supremo Electoral (CSE) to spend a substantial part of 1996 preparing and distributing *carnets* instead of preparing for the elections. The Assembly had also edited the electoral laws in a partisan fashion, which led to a broad replacement of electoral personnel. In addition, general bureaucratic inexperience and inefficiency allowed important issues to go unattended until late in the year. However, irregularities and inefficiencies before the elections were far less severe – and consequential – than the behavior of the CSE after the election. Major breakdowns in the system led to the mismanagement, inefficient handling, and even destruction, of ballots and tally sheets. The FSLN capitalized on the mayhem to claim the election was being manipulated to their detriment. Not coincidentally, the greatest anomalies were registered in regions where the municipal government was Liberal, not Sandinista, and attempts to perform recounts in those regions were vehemently resisted. The Liberal president of the electoral council of Matagalpa was discovered to have approximately thirty-thousand unmarked ballots illegally in his possession after the elections. These irregularities marred what could have otherwise have been heralded as a major advance for democracy and fair elections in Nicaragua (Walker 1997: 305-311).

The 2001 election

The presidential elections of 2001 were just as politically charged as the previous two, but for fundamentally different reasons, this time economic. In the aftermath of Hurricane Mitch the nation's physical infrastructure and economy were in shambles, and the well-being of the average Nicaraguan had markedly declined. Daniel Ortega again ran for as candidate for the FSLN party in a carefully publicized campaign designed to shed his popular association with

the military conflict of the 1980s. The campaign's color scheme was bright pink ubiquitous throughout the country not just in billboards and electoral propaganda but also in Ortega's clothing during the campaign. "Love is stronger than hate," "The Promised Land," and "Love will bloom" were the slogans. Ortega and the FSLN party made an exceptional effort to indicate that his government would work with and not against the United States, a topic dear to many Nicaraguans who believed the antagonistic policies and rhetoric of the FSLN in the 1980s were responsible for U.S. aggression and destabilization during that period. Former vice president Enrique Bolaños ran as candidate of the Liberal party. His campaign, as well as its supporters such as the right-wing periodical *La Prensa*, did its best to keep images of the 1980s armed conflict fresh in the minds of the voters (Aguilar "Ortega Close" 2001).

In the months prior to the 2001 elections, manipulation of the electoral process by its principle actors caused electoral democracy yet another setback. Amongst the worst of the offenses to the democratic system in the months preceding the 2001 election was an appalling political "gentlemen's deal" in January 2001 between Arnoldo Aleman and Daniel Ortega. Known as "*El Pacto*" ("the pact"), it altered the Constitution in a manner that guaranteed both Ortega and Aleman seats in the Nicaraguan National Assembly in addition to political immunity that protected Aleman from charges of corruption and Ortega from charges of rape (Aleman 2001). The Pacto also replaced the Controller General with a trio of Sandinistas and Liberals and divided up the principal positions of the Supreme Court and the Consejo Supremo Nacional, the office responsible for running elections. In one fell swoop, the most important government positions had been politicized and divided between the Aleman's Liberal party and Ortega's Sandinista party (Cabistán 2000). Ortega then proceeded to claim that Aleman had threatened to annul the elections if it appeared that the Sandinistas were in the lead, and alluded to mass protests by Sandinista supporters should it happen. Former U.S. president Jimmy Carter, in Nicaragua to serve as part of a team sent to ensure the elections would be fair and transparent insisted it was absolutely unacceptable for Aleman to declare a state of emergency in the case of a close vote (Aguilar "Tight Race" 2001).

Only corruption was a more important issue than the *pacto* in the 2001 elections. Bolaños vowed to fight corruption in the Nicaraguan government, and the theme resonated soundly with Nicaraguans, who had grown tired of the litany of charges against Aleman throughout the course of his presidential term. Bolaños made the unprecedented move of distancing himself from his own – and Aleman's – Liberal party, and threatening to prosecute those that were found guilty of having profited politically or economically while in office, including and especially Arnoldo Aleman. Faced with the threat of having to face charges for his

avarice while in office, Aleman attempted to overturn the electoral system. In November 2001, not long before the election, Bolaños alleged to election supervisor Gabriel Solorzano, president of the local group Ethics and Transparency, that Aleman had agreed with Daniel Ortega that in the case of a close vote, Aleman would arrange either to have votes shifted to Ortega to prevent Bolaños from being declared the winner or to annul the election altogether. The votes, when tallied, were strongly enough in Bolaños' favor that Aleman was unable to proceed with either alternative (Aleman 2002).

Electoral Democracy and Voter Participation

The paramount importance of free and fair elections makes one final note in order before moving beyond the issue of Nicaragua's elections in the past two decades.

The early 1990s transition to democracy in Nicaragua as well as in neighboring El Salvador was, by some analyses, “incomplete,” and resulted not in a full democracy but rather a type of hybrid regime in which the process of democratic consolidation and transition continues. In retrospect, the early governments of Violeta Chamorro and Arnoldo Aleman were marked by crises of confidence and of governability, characterized by great fragmentation, instability of party systems, public administrations rife with corruption, and electoral volatility, and a sharp decline of public confidence in the electoral system (Barnes 63-64).

In a regime making a slow transition to democracy, participation by voters at the polls can be a significant indicator of democratic progress (Barnes 68). It's interesting then to note that in spite of a loss of confidence by Nicaraguan voters, they still are regular participants in elections. Voter turnout at Nicaraguan elections has averaged above 70% for the most important elections, placing Nicaraguan alongside Europe in terms of voter participation. Over 90% of voters took the time and energy to undergo the complicated and time-consuming voter registration process for the presidential elections of 1984, 1990, and 1996, and even for the hotly contested election of 1984, in which the United States attempted to orchestrate a boycott of the polls, approximately 69% of eligible Nicaraguan voters participated¹ (Barnes 70).

Nicaraguans' commitment to voting is evident not just in the citizens' participation but also in the effort the governments have made to run elections. In comparison to El Salvador, where voting was carried out in a few centralized locations (El Salvador's capital city, San Salvador

¹ The discrepancy in electoral statistics for the 1984 election between Williams (1990) and Barnes (1998) should be noted. But at the same time both statistics indicate a clear majority of voters participated.

had only eight voting sites, which caused long lines, frustration and sometimes causing voters to abandon the process), Nicaragua facilitated a precinct-type system in which voting places were numerous and lines were short (Barnes 72-73).

Nicaragua has thus certainly experienced a strengthening of electoral democracy, in terms both of voter turnout and participation in elections. The high participation can be attributed (especially in comparison to El Salvador) to three factors: First, Nicaragua has enjoyed since the time of the Sandinista government, almost 20 years of cultural pressure to mobilize popularly and exercise one's freedom to vote, resulting in a culture aware of their right – and duty – to criticize and make comments to the government. Secondly, the staffing of voting centers not by elites but by the “poor majority” has given a positive reinforcement to the concept of registration and voting, and legitimized it in the eyes of poorer Nicaraguans. Third, perhaps due to the tradition of voting, Nicaraguans through the late 1990s still valued elections as important whether or not their candidate won (Barnes 88).

Consolidation of Democracy under the Chamorro Government

Consolidating democracies are expected to slowly acquire, amongst other characteristics, some of the following: the stabilization of the party system, regularized and predictable practice of politics, and the establishment of institutions that deal with competing demands without resorting to violence. There is little evidence that under the Chamorro government, faced with the heavy strain of the transition, much democratic consolidation took place (McConnell 45-58).

The party system experienced serious volatility under the influence of policies that fostered party disintegration and the formation of numerous microparties, amongst them the Movimiento Renovador Sandinista (MRS) and dozens of others that fell into the Liberal, Conservative, Revolutionary, Christian Democratic, Social Democratic, and other, families (Coleman 165-184). The Chamorro government's system of interest mediation was pluralist but not strong enough to deal effectively with many issues, and in the Latin American tradition, Nicaraguans often resorted in the early 1990s to patron-client relations and personalistic politics rather than pursuing organized channels. Some of these challenges were inevitable given the polarization of Nicaraguan politics following the Revolution. At the same time, many of Nicaragua's government institutions did indeed consolidate and strengthen during this period, including the judiciary and legislative branches, the latter of which provided balance to the executive branch by assuming the responsibility for constitutional reforms. Nevertheless, these small reforms came at great expense. Particularly, the often vitriolic disputes amongst party elites and the leaders of government led the average Nicaraguan to lose some faith that the government had any interest in

improving the lives of the people instead of just staking claims to political power. The fact that many of the disputes that ensnared the Chamorro government were resolved only under pressure by the IMF and the World Bank worsened the perception that those who governed Nicaragua were more responsive to foreign institutions than to the needs of the Nicaraguan people (McConnell 45-58).

Prospects for the Consolidation of Democracy

Political Concerns

Upon winning the 2001 election, Bolaños inherited a government fraught with enough political challenges to significantly limit his ability to bring about reform in Nicaragua. The presence of both Aleman and Ortega in the National Assembly complicated (and continue to complicate at present) Bolaños' goal of eliminating corruption from the national government. Worse, it was largely believed immediately after the election that Aleman intended to use his power in the Asamblea to prepare for a subsequent political campaign after Bolaños. The Nicaraguan constitution doesn't prevent this (Aleman 2001).

Economic Concerns

But economic, not political considerations, may be the greatest obstacle to continued consolidation of democracy in Nicaragua. The Wall Street Journal reported (Jordan 2001) just before the elections of 2001 how poverty – and particularly a devastating famine caused by plummeting prices in the market for exported coffee – was undermining popular support for Aleman's center-right government and enabling Daniel Ortega to gain support in the areas impoverished by the famine. Hungry campesinos reported that under the authoritarian rule of the Sandinista government in the 1980s, they at least had food, whereas under free market reform they were unable to eat, and Ortega was quick to capitalize on the discontent in his 2001 political campaign. While support for the opposing candidate can be construed as the willingness to work within the democratic system to create change, it indicates as well how economic hardship can weaken a government's perceived efficacy (Jordan 2001).

A poll conducted by Latinobarometro in April and May of 2001 and published by the Economist, provides additional insight. According to the poll, throughout Latin America, frustration with the current democratic governments' ability to improve the lives of ordinary people – particularly in light of the past decade's experience of corruption and economic stagnation – is undermining support for democracy (“An Alarm Call” 2001). 59% of Nicaraguans agreed with the statement “Democracy is preferable to any other kind of government” in 1995; that figure swelled to 72% in 1998. But the economic ravages of Hurricane Mitch and abuse by the Aleman administration led to a decline to 64% in 2000 and

its lowest figure ever reported, 43% in 2001. The statement “In certain circumstances, an authoritarian government can be preferable to a democratic one” elicited 14% agreement in 1996, 19% in 1997, dropped sharply to 9% and 6% in 1998 and 2000 respectively, and then rose again dramatically after Arnoldo Aleman's government to 22% in 2001 (“An Alarm Call” 2001).

Latinobarometro's poll indicated that Latin Americans are frustrated with an increase in crime and civil violence, and are less in favor than before with privatization of state resources, part of the neo-liberal reforms that loan packages provided by international donors have obliged Nicaraguan governments to implement. And while Nicaraguans are still overwhelmingly in favor of a free market economy, democracy and the economy are very much associated with each other in the minds of most Latin Americans, with the consequence that any perceived failure of the economy is construed as a corresponding failure of democracy. Latin America's fledgling democracies – Nicaragua's included – have therefore apparently not yet proved themselves to the people (“An Alarm Call” 2001). This should be taken seriously. The Latinobarometro poll highlights some of Latin America's most salient concerns with democracy, particularly contempt for the existing political parties and the overwhelming belief that corruption in recent years has increased markedly. And fewer believe that the state should leave the economy completely in the hands of the private sector, as a result of specific complaints about the way privatization and other neo-liberal reforms have been undertaken (“Democracy Clings On” 2003).

Francisco Lainez (2003), in an opinion piece published in La Prensa, Nicaragua's principle newspaper, provides a clear example of the reduced popular support for democracy in the face of economic hardship. Lainez writes:

“Democracy per se is just a pillar so that civilized societies can live together with stability, which should integrate itself in equilibrium with sustained economic growth and social security to bring to an end inequalities and social misery... In the Latin American region, democracy is the key topic of politics that polltakers measure emptily with popularity or sympathy, like a beauty competition, and ... in economic matters, with one macroeconomic indicator or another to serve the interests of investors, which is to say that inflation is more prominent than social themes, generalities in one article or another, pure theater... In the region there is no program or internal strategy in any country to combat poverty, whereas there are millions for a supposed democracy, that pays towns and savage capitalism to protect their interests. What exists in Nicaragua is a society functioning in almost anarchical disorder for the purpose of placards: democracy, the free market and the fight against poverty.

To substitute Sandinismo a "democracy" was brought in and paid for elsewhere. Democracy was born in this way... with a vote that cost us dearly. In our democracy anyone can be a politician. It's not necessary to do anything more

than take up a topic that attracts people even if your head is empty or the polls prove you wrong.

The problem is that Nicaragua's situation is worsening due to the absence of a national plan for economic and social development and because the economy marches along to the criteria of colluded interests of foreign governments as well as our own, instead of the country. There is neither political will nor money to deal with our acute social problems, they say, but there is money available for the bandits in private banks, to pay the external debt and creditors that granted irrational loans, as well as for granting to government officials, retirement packages, etc.” (Lainez 2001).

The conservative think-tank The Heritage Foundation called upon the administration of George W. Bush in 2001 to recognize in Nicaragua the alarm that economic distress is causing to the democratic process and, instead of abandoning the fledgling government as it did in the early days of Violeta Chamorro's government, to support the administration. The Heritage foundation recommended the American government persuade the National Assembly to roll back the *pacto* and other reforms that politicized the judiciary and electoral councils and that granted Assembly seats to both Ortega and Aleman, provide more funding for institutional building activities and provide for decentralization from the government of some public activities, provide technical and policy advice on how to best encourage foreign investment, particularly in the realms of property rights and banking, and increase support for efforts to fight drug trafficking (Johnson 2001).

Before embracing the idea that exasperated Nicaraguans are giving up on democracy and looking elsewhere for a solution to their problems however it is worthwhile call attention to the ample evidence that Latin Americans haven't yet completely lost faith in democracy. As evidenced by Ortega's willingness and ability to operate within the confines of the political system, as well as impoverished Nicaraguans' willingness to call for a change through elections instead of armed insurrection, Nicaraguans have continued to use the political system to bring about change. Working for change through the existing democratic system instead of seeking to replace it, Latin Americans have faithfully voted for opposition parties in recent elections and Nicaragua has been no exception (“A Backlash” 2002).

The Aleman Trial and Conviction

The Bolaños government and its focus on routing out corruption in the government provides additional hope that democracy in the coming years will be strengthened. In August of 2002 Bolaños requested that the National Assembly strip Aleman of the immunity granted to him under the Pact, so that he might be charged for the looting of US\$96.7 million during his time in office. The money allegedly pilfered by Aleman amount to 4% of the nation's GDP, or the nation's entire health budget (“Waiting for the Fat Man to Sing” 2002). In December the

Assembly voted 47-45 to strip Aleman of his immunity and confined him to house arrest. It was the first time in Nicaraguan history that a president had been stripped of his immunity. Most indicative of popular support of Bolaños' campaign is the fact Aleman was stripped of his immunity in spite of majority control of the Assembly by Aleman's own Liberal Party, meaning some of Aleman's own party voted against him. ("Former Nicaraguan President" 2002).

Also consequential for the strengthening of the Nicaraguan political system was the U.S. government's backing of the anti-corruption campaign, given Aleman's relatively good relationship with the American government due to his rabid anti-Sandinista politics. The U.S. Congress helped fund the campaign to bring Aleman to trial, and the American backing of the campaign provides hope that the American government is going about policy in Latin America differently, after decades of backing conservative strongmen regardless of their propensity for graft or corruption ("Waiting for the Fat Man to Sing" 2002). In fact, a new approach to policy in Latin America on behalf of the United States is crucial to continued democracy in Nicaragua, as American intervention in the electoral system for any reason both compromises and delegitimizes the system.

An intriguing novelty to the case against Aleman was the unlikely collaboration of two unlikely partners: Daniel Ortega, who risked facing charges of his own if his own diplomatic immunity was revoked with Aleman's, and U.S. State Department undersecretary of State Otto Reich, arch-enemy of the Sandinistas (Varney 2002). The conviction bodes well for Nicaragua, as transparency and honesty are important factors that enable it to continue to solicit foreign aid ("Waiting for the Fat Man to Sing" 2002).

Conclusion

Hope remains for Nicaragua's democracy and its people's commitment to reforming their government through their institutions. Relative to other Latin American – and particularly Central American – nations, Nicaragua's democratic tradition is lengthening and gaining strength. But as is too common in Latin America, Nicaragua's democratic institutions – from the polls to the parties system – are weak and can be easily abused. In spite of gains made over the past 24 years, the nation will make progress only when the tools of government are put in the hands of a government willing to take risks in the interest of the nation's well-being. To that end, President Bolaños and his commitment to rooting out corruption in his government and party provide many reasons to be optimistic that Nicaragua's commitment to the ideals of democracy will strengthen in the coming years, and that the democratic process as a whole will continue to thrive and grow in Nicaragua.

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