



Nicaragua Network Nicaragua Monitor

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Defend the Gains of the Sandinista Revolution

Sister Communities Conference a Success!

By Katherine Stecher

The Sister Communities Conference organized by the Nicaragua Network and held in Managua, Nicaragua, on July 16th and 17th was a tremendous success. Over the course of two days more than 200



Orlando Nuñez delivers key note address while Arnie Matlin looks on. Photo: Barbara Larcom

participants, almost evenly divided between Nicaraguan and U.S. representatives, took part in workshops and discussions in order to further their mutual work in Nicaraguan communities. The conference was held on the grounds of CIPRES, the Center for Rural and Social Promotion, Investigation and Development, which offered the participants a lush and green walk past a model farm with cows and pigs between meals and workshops.

The conference included three plenary speakers: Orlando Nunez, the well-known economist and theorist on small-farm sustainability, director of CIPRES; Carlos Pacheco, representing the Consumers' Defense Network and its struggle to keep water in Nicaragua from being privatized; and finally, Nick Hoskyns, who spoke about fair trade and cooperatives in Nicaragua. Over 25 workshops were offered, focusing on topics such as creation of revolving loans, workers' rights in the *maquilas*, and the use of video in solidarity projects.

Furthermore, the event allowed groups and organizations from all over the U.S. and Nicaragua to share experience, advice, and troubles encountered in their work. The connections made between two

groups working on local water sovereignty, for example, should prove propitious to making the right to water a national *and* international issue.

During the conference, there was a screening, in both English and Spanish, of the Nicaragua Network's recent film, "We Have Other Plans" or "*Tenemos Otros Planes*," about alternative development projects in communities in Nicaragua. Many of those communities were in attendance at the conference, and each



Ana Narvaez and other dancers from La Primavera performed Saturday night. Photo: Larcom

sister city organization present received a free copy of the film and study guide in Spanish.

The conference inspired all who attended it; many participants felt reinvigorated by the encounter with groups with similar missions. Three themes that emerged from the conference were Sustainability, Solidarity, and Alternatives. Sustainability applied to ecological sustainability as well as to sustaining our long-term projects, and a continuing focus on education. Solidarity is the basis of all the organizations' work, but the conference also reminded us of the importance of working in solidarity within our respective countries. Through these connections, the network of sister cities and sister communities can work together both in Nicaragua and the United States. Finally,



Nick Hoskyns speaks about fair trade while Tim Jeffries looks on. Photo: Barbara Larcom

there was an emphasis on Alternatives, and acting outside the dominant model to support the creation of a better world for us all.

Some of the concrete ideas that sprung out of the closing discussion included coordinating with other countries that share our sister city ties, increasing our work in the autonomous regions of the Atlantic Coast, and making the Sister Communities Conference a bi-yearly or tri-yearly event.

Nicaragua Network and the other co-



Attendees enjoy each others company on Saturday evening. Photo: Barbara Larcom

sponsors were very happy to see the conference turn out to be such a success. Many of the sister communities represented are part of the national Nicaragua Network, which serves to connect us in our work and is an important resource for local U.S. groups that work in solidarity with communities in Nicaragua. Thanks to all who attended for their participation and enthusiasm!

Katrina and Mitch, Siblings of Negligence

By Circles Robinson

[Circles Robinson is a journalist who lived in Nicaragua for many years. He now lives in Cuba. This article was first published by AIN News on September 12, 2005.]

On any given day there is not much in common between the United States and Nicaragua. However, when faced with the wrath of hurricane flooding, the situation in the richest and the poorest nations of the continental Americas seems one and the same.

When Hurricane Mitch was inundating



A family escapes the waters of Hurricane Mitch in 1998. Photo: www.companymagazine.org

Nicaragua in October 1998, leaving over 3,000 dead and hundreds of thousands homeless, the then-president of the impoverished Central American nation, Arnoldo Aleman, didn't even bother to declare an emergency and left people to fend for themselves without information or resources. When two entire rural communities were swept away in a landslide he claimed the cries of help from survivors was leftwing propaganda against his government.

When Hurricane Katrina approached the richest country on Earth, the president of that country was on a horse checking the fences of his hacienda to make sure the anti-war protestors nearby wouldn't get close enough to be heard. "I've got to have a life too," the oilman told the press, when asked if he was going to meet with the mother of one of the 1,875 US soldiers killed so far in Iraq. When criticism over the handling of the hurricane aftermath rained on Washington, the president said, "We're doing all we can."

Mitch unveiled what many had said

before; that many less fortunate people in Nicaragua were forced by the free market to live alongside rivers, creeks and on hillsides, especially vulnerable to flooding.

Katrina unveiled what many had also said before; that the levees protecting the bowl-shaped, below-sea-level New Orleans could only withstand a Category 3 hurricane and that global warming was preparing a Category 4 or 5 strike. It was no secret that a lot of poor people, mostly African-Americans and immigrants would suffer the consequences.

In Nicaragua there was little warning and there were no government evacuations, transportation or shelters in the days prior and during the flooding. The country's capital and political class were safe and the only people in trouble were the rural poor and the marginalized residents of the provincial cities; people who were barely consumers in dollar and cent terms.

In New Orleans there was a warning, but for the First World poor it was as if there hadn't been. Officials told residents to pack their cars and get out of the city. Somehow they forgot that

many of the poor, who live off low salaries, food stamps, unemployment benefits, welfare or social security payments, don't have cars and live from day to day, unable to amass the funds needed to take the family on a little trip, much less rent a hotel room.

In Nicaragua most of the elderly and people with disabilities lived (and live) with their families in the same precarious situations that poverty (and some would say destiny) has provided them. When the flooding was imminent, the marketplace and the government decided that nothing needed to be done for this even less consuming sector of society.

In New Orleans some of the elderly poor and people with disabilities lived in nursing homes and others lived with their families. When Katrina struck, in the nursing homes many were left to pray for a rescue that never came. In their homes, many of the handicapped perished before they could get to

the rooftops where they would have spent nearly a week without food or water waiting for the Federal Emergency Management Agency (FEMA) to decide whether the situation merited a special effort.

In Nicaragua, by the time it was too late, the government realized that many civic groups had spontaneously set up refugee centers that were well organized but teeming with needs, lacking many of the basics. However, the inflated salaries of the government officials allowed them to close the smoked windows of their \$60,000 cars, pull out the Jack Daniels and ease the pain. "Let the international community worry about it," they said to themselves, as they demonstrated their unwavering patriotism and claimed a lack of funds.

In New Orleans the able poor were allowed to swim to the Superdome or Convention Center, two places usually off bounds to them. However, the hot dogs and popcorn or conference buffets were nowhere in sight. Instead, the basics were just as lacking as in Nicaragua and even worse; there was no organization or even safety for the First World refugees. Then hunger, thirst and illness set in, topped off by the horror of rape and murder, astonishing a world watching the events unfolding on the TV news.

The international community, friends and "dark corners" alike, rushed to offer the assistance that the richest country on Earth couldn't muster for its own people.



A woman cries next to the body of a loved one after Hurricane Katrina. Photo: Indymedia

"We'll take any help we can get," White House officials belatedly replied, "except the 1,586 Cuban doctors."

Seven years after Mitch, the effects of the hurricane continue to be felt in

See Katrina and Mitch, p. 9.

DR-CAFTA Approved: How could it happen?

By Katherine Hoyt

Maybe I should stop waking up to the clock radio news and try music instead. The blow at 6:00am on Thursday July 28, 2005, could only be compared to that morning in February 1990 when I was awakened by news of the Sandinista electoral loss. The House of Representatives had passed CAFTA in the middle of the night! I screamed, "That's impossible! The President didn't have the votes!" What can we tell our friends in Central America now? We worked hard; we did all we could, but we lost. Now the subsidized agribusiness corn and rice will come flowing in and price Central American farmers out of the market and off of their land! It was too much to bear.

The radio said the vote count was 217 to 215. The Washington Post at our door said that after the normal 15 minute voting period, the vote was 180 against with 175 in favor of the legislation. We would have won! But, over the protests of the Democrats that they were violating the rules, the Republican leadership extended the voting period until 12:03am and rounded up legislators and twisted arms to emerge with the victory. It turns out that, in reality, the vote was even closer. Representative Charles Taylor (R-NC) was recorded as "not voting." But he said on Thursday that a voting machine malfunction prevented him from casting his vote against CAFTA. He has asked the Clerk of the House to correct the record to reflect his "no" vote. This would make the final tally 217-216. The Bush administration brought

out all its big guns before the vote. The President and Vice-President visited the House on Wednesday afternoon. The Vice-President returned in the evening, staying until 10:00pm. Lawmakers told the Washington Post that GOP leaders told their rank and file that, if they wanted anything, now was the time to ask. Evidently, according to the Post, many of the favors handed out in exchange for votes will be included in the energy and highway bills that Congress is passing this week. Some votes were swayed by the passage on Wednesday of a bill that would give U.S. firms expanded means to seek duties on imports from China. The bill was promised to several representatives from industrial states in exchange for their "yes" votes on CAFTA. Other representatives were promised restoration of money that the White House has tried to cut from agriculture programs.

Not all representatives succumbed to pressure and promises. Rep. Sanford Bishop (D- GA) received offers of assistance to peanut growers in his state but voted against the agreement. Bob Ney (R-OH) said that he was courted by everybody "from the President's dog on up to the President himself." But he said that he couldn't justify voting "yes" on

CAFTA based only on the promise of passage of the China trade bill which, he noted, has not passed the Senate yet and was far from a sure thing. Rep. Howard Coble (R-NC), whose mother worked in the mills, said, "When female textile workers plead with me to vote against CAFTA, I said to the president, that's my mama talking to me, and I can't turn a deaf ear to



Anti-CAFTA poster designed by Quest for Peace.
www.quixote.org

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their pleas." He was one of 28 Republicans who voted against the bill.

The Democratic leadership did not choose to formally "whip" the CAFTA legislation; that is, they did not require Democrats to vote against the bill. They argued that to "whip" the bill would have been counterproductive because it would have made it harder for Republicans to oppose CAFTA. In the end, however, Republican leaders won the support of about half of the Republican representatives from textile-producing states like Alabama, Georgia, and North and South Carolina with claims that the Central American countries had agreed to certain concessions apart from CAFTA such as the promise to use American-made pockets

See CAFTA, p. 11.

300,000 Surround White House

With the support of everyone in the antiwar movement around the country, the September 24th demonstration was a magnificent success. We had hoped for

“End Colonial Occupation from Iraq, to Palestine, to Haiti and Everywhere.” We also later connected the war in Iraq with Bush’s criminal neglect in the aftermath of Hurricane Katrina. On May 12, we also proposed to the United for Peace and Justice that our two coalitions enter into a united front for the purpose of

to organize a joint rally and joint march was in the best interests of launching a wider struggle against the war-makers.

Everyone should feel very proud in the success of this demonstration, and the large-scale protests that also took place in San Francisco, Los Angeles, Seattle, and in other cities. More than 350 cities and towns organized transportation to come to



All the anti-war coalitions participated in the demonstration in Washington, DC. Photo: www.internationalanswer.org

100,000 people, and more than 300,000 joined the protest. We received media coverage all around the world. The ANSWER Coalition initiated this demonstration on May 12, 2005 under the slogans “Stop the War Against Iraq” and

maximizing the broadest possible turnout in the streets. We believe that the final agreement



Protesters marched around the White House. Photo: www.internationalanswer.org

Washington DC. The commitment and self-sacrifice of local organizers speaks to the fact that this movement has taken off.

U.S. Airman Downed in Nicaragua in '86 Testified about Posada Carriles

By Joseph E. Mulligan, S.J.

Joseph E. Mulligan is a Jesuit priest from Detroit who works with Christian base communities in Nicaragua.

Eugene Hasenfus, the U.S. “air freight specialist” whose plane was shot down over Nicaragua in October 1986 while on a mission to deliver supplies to the anti-Sandinista *contras*, testified eleven days later in a Managua court that the Russian 7.82 mm automatic pistol he was carrying when captured had been given to him by “Ramon Medina.” This was the pseudonym of Luis Posada Carriles, the former CIA agent currently detained in El Paso by the U.S. government whose extradition is sought by Venezuela on charges that he was involved in the 1976 bombing of a Cubana Airlines plane that killed 73 people.

In July 1987 I visited the offices of the Anti-Somocista People’s Tribunal, the court where Hasenfus, an ex-Marine, had given his signed statement on the previous October 16. I was permitted to make photocopies of his statement in English and of the official translation in Spanish and also of some business cards and

papers that were in the downed plane.

Hasenfus named “Max Gomez” (later identified as Felix Rodriguez) as “one of the Cuban coordinators of the company” supplying the Nicaraguan *contras*, Corporate Air Service. Regarding “Max Gomez,” Hasenfus testified “that he works for the CIA and that he is a very close friend of the Vice President of the United States, George Bush.

“Besides Max Gomez,” Hasenfus continued, “there was another Cuban by the

name of Ramon Medina. Their jobs were of the nature of taking care of housing, transportation, and coordination of all the work they had to do at Ilopango air force base” in El Salvador, which served as the

base of Corporate Air’s operations.

Hasenfus noted that, “they also arranged all the administrative work” and that they set up and coordinated air drops in Nicaragua.

“Ramon Medina was also a CIA agent and did the ‘small work’ because Max Gomez was ‘the senior man.’ On a few occasions Ramon went to El Aguacate, the base in Honduras run by the CIA for the *contras*. Because of the association of Posada Carriles

(“Ramon Medina”) with the CIA and specifically with El Aguacate, I asked to meet with him in June 2002 while he was in jail in Panama on charges of having plotted

See Posada Carriles, p. 8.



The capture of Eugene Hasenfus was widely covered in the U.S. press. www.invisibleimage.com

El Porvenir Brings Water to Villages

By Elizabeth Merritt

[Elizabeth Merritt is the director of US Operations for El Porvenir. Elisabeth lived in Nicaragua for two years, leading work trips for El Porvenir.]

Fifteen years ago, El Porvenir (“The Future”) began working in the municipality of Ciudad Dario. At that time, 80% of the villages did not have access to potable water and sanitation. That percentage is now reversed thanks to the self-help projects of El Porvenir and the work of other organizations in the Dario region.

In Hispangual, a small village in the Dario region, you see how the community water tap, part of their spring-capture-system, is the center of village life. Throughout the day, if you look out to the water tap, you see someone arriving for water or women with their children washing clothes. Parents, children, grandchildren, they see the spring-capture-system they built with the technical expertise of El Porvenir develop-



Young boy in Ojo de Agua fills a container with potable water from the village spring capture system. Photo: El Porvenir.

ment workers as a source of community strength.

Hispangual villagers have worked hard to build their spring-capture-system, latrines, and now a community laundry facility. Everyone is involved in the projects as everyone benefits from them. Clean drinking water and sanitation facilities are not taken for granted in rural Nicaragua; they are respected and cared for.

I first met Timotea of Casas Viejas, Ciudad Dario, when I led El Porvenir work trips in 2003. A group of North Americans had traveled to Nicaragua to work with the village on reforestation around one of the wells and the laundry facility as well as on the land of some villagers. Timotea is a strong leader in Casa Viejas and has seen and led many changes since Casa Viejas

partnered with El Porvenir to dig the first well. A village of about 200 people, they now have completed three hand-dug wells, a latrine for each family, and *lavaderos* (laundry facilities) as well as reforesting much of their micro-watershed to protect the water table their wells depend on.

In 1990, only 20% of villages in the municipality of Ciudad Dario had clean drinking water and sanitation facilities. By 2005, 80% of villages in the Ciudad Dario municipality had clean drinking water and sanitation facilities. Much of this has been due to the work of El Porvenir.

Timotea looked out then, and I imagine still does, from her humble adobe home and beamed with pride at what her village has accomplished.

El Porvenir’s method is to respond to the needs of villagers; the villagers must organize themselves into a local committee responsible for the project, tools, maintenance, and health/hygiene. From there, local El Porvenir development workers provide the technical expertise and the materials so that villagers are able to build their own projects. Through this process, villagers learn about community organizing and oftentimes go on to improve their communities in other ways.

Casa Viejas is a perfect example of this. They have since worked with other NGOs and the local government to construct a church and a health post, and to bring electricity to their remote community that is 45 minutes outside Ciudad Dario.

El Porvenir

El Porvenir is a nonprofit organization dedicated to promoting water, sanitation and reforestation projects in rural Nicaragua. El Porvenir’s principal goal is to make it possible for poor rural people to improve their health, environment and standard of living through sustainable community self-help projects.

El Porvenir began during the 1980’s, when long-term volunteers with Habitat for Humanity International were working in self-help housing projects in rural Nicaragua. The communities participating in the Habitat program had many needs in addition to that of decent housing. The most pervasive and urgent of these were

the need for clean drinking water and basic sanitation facilities.

To date, El Porvenir has supported over 450 projects in 262 communities in the three regions where El Porvenir works: Ciudad Darío, Camoapa, and El Sauce. These projects have benefited over 45,000 individuals. El Porvenir is one of the few non-governmental organizations in Nicaragua that supports potable water, sanitation and reforestation in rural villages.

Potable water was originally the only program, but over the years it became clear



Two girls in Casas Viejas wash clothes at the village laundry located near the well. Photo: El Porvenir.

that latrines were equally important to health, in preventing the spread of disease through fecal contamination and in protecting water quality. After latrines, *lavaderos*, or communal washing facilities, were also added to El Porvenir’s program, to provide village women with a clean and healthful facility for doing their family laundry and to offer a rare opportunity for rural women to socialize while they work. El Porvenir then undertook reforestation of the watersheds on which the water projects depend, in order to protect the water table, and the environment, for years to come. The reforestation program also includes self-help construction of *ecofogones*, eco-cookstoves with enclosed fire boxes and chimneys that use half the amount of wood as a traditional village stove. To secure full and long-term health benefits from clean water projects, El Porvenir has most recently placed a health educator in each region, who revisits communities served, monitors maintenance of water and latrine projects, teaches hygienic practices, and collects health data.

El Porvenir’s success is the result of many factors: working hand-in-hand with

See El Porvenir, p. 9.

Haiti Tribunal Convicts Rights Violators

By Joe DeRaymond

Joe DeRaymond is an activist who lives in Pennsylvania.

On Friday, September 23, 2005, the Director General of the Haiti National Police **Leon Charles**, UN Force Commander Lieutenant General **Augusto Heleno Ribiero Pereira** of Brazil, and the Special Representative of the United Nations **Juan Valdes** of Chile were convicted of violations of Haitian law and international law including crimes against humanity. This verdict was delivered by the jury of the First Session of the International Tribunal on Haiti. The Tribunal was held in Washington, DC at George Washington University at the Elliott School of International Affairs.

The International Tribunal on Haiti has been organized by a coalition of Haiti solidarity groups, including the Haiti Support Network, and supported by the Latin America Solidarity Coalition (LASC – lasolidarity.org), which sponsored and funded the Tribunal. The Tribunal will continue for several sessions over the next seven months, to investigate reports of human rights violations and seek accountability for crimes against humanity. Former U.S. Attorney General Ramsey Clark is the lead member of the Commission of Inquiry that will investigate charges generated by the Tribunal. The Commission will conduct fact-finding inquiries in Haiti, the United States and other countries. The verdicts of the Tribunal will be used to generate a case that will be referred to the International Criminal Court in The Hague.

Haiti screams for your attention. It is a killing field in its structural poverty, and in the constant violence visited upon the impoverished population by rogue police forces aided, horribly, by United Nations “peace-keeping” troops. The Tribunal brought together a distinguished group of experts and eyewitnesses to expose the crimes being committed against the people of Haiti.

The Tribunal is structured in a fashion similar to United Nations Tribunals, a procedural conflation of European and Anglo legal traditions. The presiding judges are former Haitian Ambassador-at-Large **Ben Dupuy**, Attorney **Brian Concannon**, and Attorney **Lucie Tondreau**. The Investigating Judge is Attorney **Tom Griffin**, assisted by Attorney **Lionel Jean-**

Baptiste. The Chief Prosecutor is Attorney **Desiree Wayne**, assisted by Attorneys **Kim Ives** and **Ray LaForest**. The Jury is an international panel of citizens chosen for their interest, knowledge and ability to assess the testimony.

The indictment charges 21 individuals with violations of Haitian and international law. It delineates the justification for assigning criminal responsibility to those individuals, specifically, “No distinction

act of terror against the civil population. These violent crimes occur within a social and political context that has been stripped of democracy by the United States, Canada and France. The prosecution began with an exposition of the history of Haiti, and the events that led up to the coup of February 2004, which removed the elected government of President Jean Bertrand Aristide and ushered in the wave of violence addressed in the indictment.



Protesters demand restoration of democracy in Haiti. Photo: indymedia.chicago.org

has been made based on official capacity. Official capacity... shall not exempt a person from criminal responsibility.” This is a crucial point to be made in this era of state repression, a point made at Nuremberg, and a necessary recognition that a person cannot commit atrocities in the name of a state or institution and then use the uniform or position as a justification for the crime.

The defendants are UN personnel, US military personnel, Canadian military personnel, French personnel, members and former members of the Police Nationale d’Haiti (PNH), and members and former members of the former “rebel” force that assaulted Haitian society in 2004.

The initial charges list 15 counts of attacks, executions and massacres that occurred between March of 2004 and August of 2005. Each count includes the killing of civilians and each describes an

The first witness was **Jeb Sprague**, an expert on the destabilization of Haitian society prior to the coup, representing the Latin America Solidarity Coalition. He charted the web of organizations funded by the National Endowment for Democracy and the United States Agency for International Development that created an “unnatural”

opposition to Aristide. The programs of such groups as the International Republican Institute, the National Democratic Institute, and the Chamber of Commerce, funded by the NED, were called “democratic enhancement”, but were really a means to create discord in a nation weakened by harsh economic sanctions imposed by the United States.

Canadian journalist **Ives Engler** then presented his testimony on the roles of Canada, the United States and France in the destabilization of Haiti. He spoke of “The Ottawa Initiative on Haiti”, held in Ottawa on January 31 – February 1, 2003, at which **Otto Reich**, representatives of the Organization of American States (OAS), and Canadian officials decided the fate of Haiti, with no Haitian government representatives present. His findings were submitted to the Tribunal. (See “Canada in

See Haiti, p. 10.

Book Review A Servant of Empire Confesses!

By Katherine Hoyt

John Perkins, *Confessions of an Economic Hit Man*. Berrett-Koehler Publishers, Inc., 250 pgs. Hardcover. \$24.95.

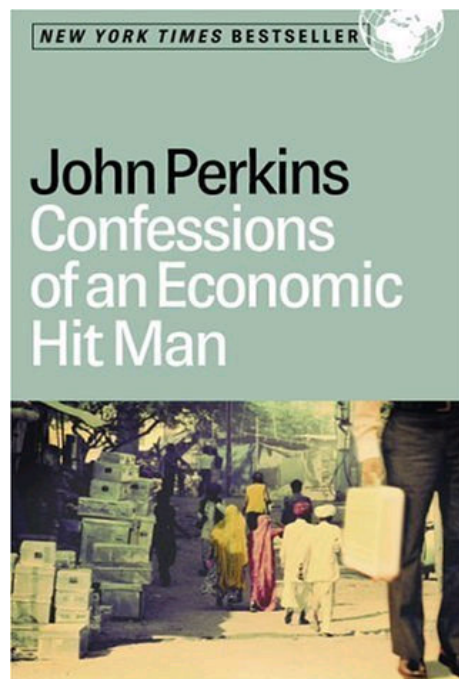
What is interesting about John Perkins, the author of this tell-all book, is that he knew from the beginning that what he was doing was wrong. Not just that the inflated figures he cooked up to justify giant loans from the World Bank that would provide big contracts for American companies in poor countries around the world were inaccurate, but that what he was doing was morally wrong. He says that in the end he changed sides and told his story for his daughter and for her generation. “I could not fight my moments of severe depression. I was now the father of a young girl, and I feared for the future she would inherit. I was weighed down with guilt for the part I had played.”

Other promoters for neo-liberal economics have come over to our side and even expressed some regret for the disasters they have caused, for example, Jeffrey Sachs and Joseph Stiglitz. But never have we had the personal story of someone who was involved for so many years in the dirty business of bringing countries under the control of the international financial institutions for the benefit of U.S. transnational corporations.

At first Perkins could not get a publisher for his book. One corporate publisher offered to print his story if he would fictionalize it. He was told, “We could market you in the mold of a novelist like John Le Carré or Graham Greene.” But Perkins replied, “[T]his is not fiction. It is the true story of my life.” Berrett-Koehler, publisher of titles including *Alternatives to Economic Globalization* by John Cavanagh and Jerry Mander and other critiques of capitalism and empire, accepted it.

After graduating from college, Perkins first interviewed with the National Security Agency, the super-secret spy organization, specifically because it offered an exemption from the Vietnam era draft. But he postponed taking a position with the NSA to go with wife to Ecuador for two years with the Peace Corps, which also provided such an exemption. With his experience there, his NSA mentor told him that he

might “end up working for a private company instead of the government.” Perkins says he did not realize that he was being up-graded from spy to Economic Hit Man or EHM, as he says they called themselves.



The company Perkins signed on with after two years in the Amazonian forests, Chas. T. Main, Inc. (known as MAIN) was a consulting firm that received contracts with the World Bank to determine how much the Bank should loan developing countries to build dams, pipelines and other infrastructure. The amounts were always inflated, in order to increase the amount of the contracts. Perkins was trained by a woman named Claudine who told him:

“We’re paid—well paid—to cheat countries around the globe out of billions of dollars. A large part of your job is to encourage world leaders to become part of a vast network that promotes U.S. commercial interests. In the end, those leaders become ensnared in a web of debt that ensures their loyalty. We can draw on them whenever we desire—to satisfy our political, economic, or military needs. In turn, these leaders bolster their political positions by bringing industrial parks, power plants, and airports to their people. Meanwhile, the owners of U.S. engineering and construction companies become very

wealthy.”

But from the beginning all was not right for Perkins. Although he came from an old New England family, his parents were teachers at the private academy he attended, not members of the same economic class as most of the students. In Ecuador, he felt a kinship with the “indigenous people who subsisted on hunting and farming.... Somehow, they reminded me of the townies I had left behind.” He was aware of the “growing frustration among the indigenous communities as they struggled to confront oil companies, international development agencies, and other attempts to draw them into the modern world.” His life experiences as a middle-class child in a school for the rich and his identification with the Ecuadoran indigenous fighting the oil companies would eventually draw him out of the life of an Economic Hit Man. But it would take many years.

Perkins traces the origins of Economic Hit Men or EHM to the early 1950s when the CIA dispatched Kermit Roosevelt to destabilize Iran after Prime Minister Mohammad Mossadegh had nationalized the country’s oil. The street riots and violent demonstrations Roosevelt paid for with U.S. taxpayer money brought down Mossadegh and put the pro-USA Mohammad Reza Shah in power as monarch/dictator. If CIA officer Roosevelt had been caught, however, the consequences would have been serious. As Perkins notes, “It was important to find an approach that would not directly implicate Washington.” The growing power of international corporations and international financial institutions would provide the solution. Perkins sums it up this way:

“U.S. intelligence agencies—including the NSA—would identify prospective EHMs, who could then be hired by international corporations. These EHMs would never be paid by the government; instead, they would draw their salaries from the private sector. As a result, their dirty work, if exposed, would be chalked up to corporate greed rather than to government policy. In addition, the corporations that hired them... would be insulated from congressional oversight

Posada Carriles, from p. 4.

to kill Fidel Castro in 2000; I wanted to ask whether he knew anything about the disappearance of Father James “Guadalupe” Carney in Honduras in 1983. Carney, an American citizen, reportedly was taken to El Aguacate before being killed by Honduran troops. My request was turned down either by Posada or by his lawyers.

During the war in Vietnam Hasenfus had worked for Air America. Some of the company’s contracts “were CIA contracts” which involved carrying “military aid throughout Southeast Asia,” according to his testimony. In June 1986 he “received a telephone call from William J. Cooper, a former Air America pilot,” who offered Hasenfus a job delivering military aid in Central America. On July 7, 1986, the two met in Miami. “The wages were to be three thousand dollars per month, the place of flying was supposed to be out of Ilopango air force base in El Salvador and flying into Honduras and Nicaragua, and that any flights into Nicaragua would have a bonus of seven hundred and fifty dollars per flight,” Hasenfus testified.

On July 10 he was “met by Cooper’s assistant, John McRainey, at the international airport in San Salvador and taken to one of the houses belonging to the company, specifically, House Number Three, Paseo General Escalon, Casa Number 5272, telephone number 238627.” Hasenfus noted that “Max Gomez lived at Ilopango air force base and Ramon Medina lived near House Number Three.” (The address of House Number Three was also written on the back of a business card found in Hasenfus’ downed plane.)

On October 5 Captain Bill Cooper, co-pilot Wallace “Buzz” Sawyer, and Hasenfus went to the Ilopango base. Hasenfus “had already loaded the aircraft the preceding day with 10,000 pounds of small arms and ammunition,” he said. After leaving Ilopango, “the aircraft proceeded south about forty miles off the Nicaraguan Pacific coast. Upon reaching Costa Rica, the aircraft turned east into Costa Rica ... and then north into Nicaragua.

“About four minutes and three thousand feet of elevation away from the drop zone, the aircraft was hit in the right engine and wing by a ground-to-air missile,” according to Hasenfus. “When the right wing and engine burst into flames and the plane started to roll to the right,” Hasenfus said he bailed out of the left cargo door

and opened his parachute “while watching the aircraft spinning down in flames out of control.” The captain and co-pilot were killed in the crash.

Hasenfus landed on the ground safely, spent the night in a hut, and was captured by Sandinista soldiers the next morning.

The wrecked plane contained an appointment book (without owner’s name) listing the following phone numbers: Home: 238931; Ramon: 235566; Max: 271996. The business cards of the following persons were also found: William G. Langton, President, Southern Air Transport, Miami; Robert W. Owen, Consultant, DHO International, Washington, D.C.; Jean-Paul Cuhe, Assistant Vice-President, Union Bank of Switzerland, Geneva. There were also two pieces of paper with lists of what appear to be codes one dated October 5 includes “Southcom=4800” and another dated October 6 includes “Southcom=7300.”

Southcom is the abbreviation for the U.S. Army Southern Command. Hasenfus had testified that Southern Air Transport and his employer, Corporate Air Service, are in reality the same company.

Other papers list the following: “Max’s Rm Condor Base”; “Wash, D.C. Top Floor”; “Pat M Bushmaster”; “Palmerola Fruit Stand”; “Bobby O Sea Horse”; “Max Condor”; “Ramon Care Taker”; “US Govt Playboy”; “El Sal Govt New Look.”

Does “Condor” here refer to “Operation Condor,” the coordinated campaign by Latin American dictatorships to find and eliminate their opponents whom they considered subversives? Does “Bushmaster” contain some reference to George H.W. Bush? Palmerola is the Honduran-U.S. military base in Honduras.

“Bobby O” may refer to Robert W. Owen, whose business card was found in the wreckage (as noted above). Owen played a direct role in the Iran-Contra scandal by serving as the money courier from Col. Oliver North to the *Contras*, and he reportedly shared with North his suspicions about *contra* drug trafficking into the U.S.

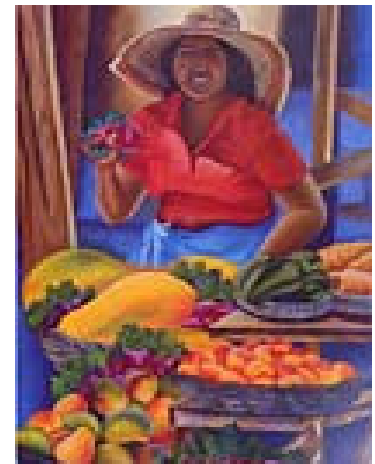
Hasenfus, the center of media attention, was really a minor player in the *contra* supply operation. The more important questions are: If Felix Rodriguez was a friend of George H.W. Bush, did the Vice President also know Rodriguez’ sidekick, Luis Posada Carriles, and did he know of Posada Carriles’ involvement in the sabotage of the Cuban plane in 1976? And

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This documentary explores several projects in Nicaragua that are putting development in the hands of local people. Effectively saying “We have other plans” to the so-called “Washington consensus” and its imposed neoliberal model, citizens in the communities visited provide uplifting examples of how development can be achieved by alternative means.



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did Col. North inform George H.W. Bush of *contra* drug trafficking? Does Posada Carriles have personal knowledge and potential testimony which could twist the arm of the U.S. government in relation to Venezuela’s demand to have him extradited?

Katrina and Mitch, from p. 2.

Nicaragua. Many of the surviving victims are still at square one as the unrelenting marketplace continues to leave them out. In fact, amazingly, there are still people living in the ruins of the 1972 earthquake in the capital, Managua, which is another long and painful story of government negligence and corruption.

In New Orleans the gruesome work has begun to tally the body count. Hopefully, it will be less than initial estimates, but there will surely be morgues full of deaths that could have been avoided.

Hundreds of thousands of the city's residents have been scattered to the winds, increasing the ranks of the unemployed in other urban centers. Many of the poor who survived the deluge in Jazz City are still without identification or proper medical attention and are at the mercy of charity and scant government handouts. If they weren't on their feet before the hurricane what can be expected in seven years time, even in the USA?

The message is don't be fooled by Gross Domestic Products, the number of patriots on the Forbes 100 most wealthy list or who has more corporate subsidiaries around the globe. When it comes to natural disasters like Katrina and Mitch, and "leaders" of the caliber of George W. Bush and Arnaldo Aleman, the distance between the two countries like the US and Nicaragua, or at least their rulers, may be a lot less than meets the eye.

Arnaldo Aleman is currently under house arrest for stealing everything he could get his hands on during his 5 years in office. He expects to be set free in the near future. For his part, George W. Bush is still riding high in the saddle, although history may not be on his side.

El Porvenir, from p. 5.

communities for needs that they themselves identify and seek to resolve; using appropriate technology and materials that are locally available; having dedicated, in-country staff who live in the rural areas served; and responding to a fundamental need that few other organizations are addressing.

For more information on El Porvenir or to join a work brigade, please contact Elisabeth Merritt at 303-520-0093, info@elporvenir.org, or see our website: www.elporvenir.org.

Book Review, from p. 6.

and public scrutiny...."

While the book contains fascinating chapters on Perkins' involvement in Indonesia, Saudi Arabia, and Iran, the most interesting and moving chapters for me were those on Ecuador, Panama, Colombia and Venezuela. Perkins got to know both Jaime Roldós and Omar Torrijos, presidents respectively of Ecuador and Panama. They both died in fiery air crashes which Perkins says were not accidental. He says that "They were assassinated because they opposed that fraternity of corporate government, and banking heads whose goal is global empire." When the Economic Hit Men fail, he adds, the "jackals" are sent in to make sure that the work of the empire gets done.

Perkins had had a special relationship with Torrijos in which Torrijos gave MAIN all the consulting/contracting work the company could handle and Perkins gave Panama approval for projects in electricity, transportation and agriculture that were designed to reach "the poorest of our poor," as Torrijos said when they made their deal. Perkins was personally devastated by his death. He says that "most of the world outside the United States would have no doubt that Torrijos's death at the age of fifty-two was just one more in a series of CIA assassinations."

Perkins' short chapter in Venezuela explains how the Economic Hit Men took advantage of the international bank loans based on the promised income of the skyrocketing oil prices of the 1970s to build vast infrastructure projects and "the highest skyscrapers on the continent." When oil prices fell, Venezuela could not pay its debts and fell under the tutelage of the International Monetary Fund. Strict austerity measures applied to services for the poor brought the people into the streets in riots against the corruption of the ruling classes who alone had benefited from the oil and the international bank loans. Perkins notes that the drop in per capita income of 40% between 1978 and 2003 set the stage for Hugo Chavez—and for conflict with Washington. As Chavez faced an oil strike, Perkins notes that "The EHMs had failed; was it time to send in the jackals?" After retelling the story of the coup and the successful counter-coup that returned Chavez to office, Perkins said, "It was obvious that not only had the EHMs failed, but so had the jackals. Venezuela in

2003 had turned out to be very different from Iran in 1953."

Watching the conflict between the U.S. and Venezuela develop while dealing with the shock of September 11, 2001, Perkins finally got serious about writing this book, his confessional. He finishes the book by asking his readers to confess and to answer such questions as, "Why have I allowed myself to be sucked into a system that I know is unbalanced?" He offers advice: "Downsize your home, wardrobe, car, office, and most everything else in your life. Protest against 'free trade' agreements and against companies that exploit desperate people in sweatshops or that pillage the environment."

This book is a fascinating inside look at why our world is the way it is. I had always believed that the dastardly deeds of the corporations and the World Bank were committed mainly by people who actually believed (erroneously, of course) that capitalism was the best system for the world and that eventually wealth would trickle down to the poor and we would all live better. Perkins effectively bursts that balloon by showing us that it is not ideology but greed and desire for empire that motivates our corporate rulers. Highly recommended!



Haiti, from p. 6.

Haiti, Waging War on the Poor Majority”, 2005, by Ives Engler and Anthony Fenton, Red Publishing, Fernwood Publishing.)

The next witness, Attorney Ira Kurzban, represented Haiti during the government of Aristide in its attempts to collect monies stolen by the Duvalier family, and to recover reparations from France. He noted the 13 years of opposition that Aristide faced upon his initial electoral victory in 1991, which included the advice of Jimmy Carter that he not take the office that he had won so convincingly. Mr. Kurzban testified to the kidnapping of Aristide by US Special Forces, and to the corrupt nature of the US-installed government after the Feb. 29, 2004 coup.

The last witness in this phase of the inquiry was Pierre-Antoine Lovinsky, the Minister of Migration in the Aristide government, who testified to his arbitrary detention and expulsion from Haiti under threat of death during the coup.

At this point, the Tribunal had been presented with the background to the period of crisis faced by Haiti at the time of the coup of February 2004. A government of rebel thugs armed and trained by the United States was in control of the streets of Haiti. It should be noted that this initial exposition of the context of Haiti today was presented in thumbnail fashion, and was treated with some skepticism by the judges, for good reason, as it did not address directly crimes against humanity. The Prosecution argued that the testimony was important to the understanding of the intentional subversion of civil society and democracy in Haiti by the United States, Canada and France. Therefore, there exists today an inability for existing institutions in Haiti to deal with the crimes in the indictment. The Judges allowed the testimony after argument, with the admonition to the jury that they had discretion as to the weight granted the evidence.

The testimony of any one of the witnesses at this session could have consumed the night's work. Each had extensive oral, visual or written evidence to present to the Tribunal, and much of it had to be submitted rather than presented in full. The appearance in one place of so many powerful testimonies to crimes in Haiti was very effective in proving the case for the prosecution. The necessarily truncated presentations were also a

reminder that a Tribunal or court scenario is not always the best venue for creating drama. There is ground to be covered, much to be done in a limited time.

The next witness was Kevin Pina, a US journalist freshly released from a Haitian jail. He testified about his arrest on September 10, when he uncovered a marauding group of Haitian National Police in the house of the imprisoned priest Jean Juste. He then provided personal and video testimony of the events he has witnessed during his years in Haiti. The video clip he showed of the massacres in Cite Soleil on July 6, 2005, was a powerful exposition of the violence and terror that are daily life for Haiti. He testified to the participation of the UN occupation forces in the indiscriminate slaughter in poor neighborhoods. He has recently completed a video documentary, “Haiti: the Untold Story”.

Pina was followed by Tom Griffin, who gave a capsulated version of his human rights investigation of November 2004. This report is available from EPICA, www.epica.org. It is an indispensable resource to understand Haiti in 2005. It covers all aspects of the current situation, with photos and interviews of the key players in the struggle, not least the people of the barrios. It documents the incompetent, criminal occupation of the UN, as well as the sinister actions of the Haiti National Police and irregular Haitian forces.

Seth Donnelly was the final witness. He had been a participant in a human rights delegation in July of this year, sponsored by the San Francisco Labor Council. He was a witness to events in Cite Soleil surrounding the July 6 massacre. He interviewed UN officials, and produced a video of the events he witnessed. His video and testimony corroborated the statements of Kevin Pina.

The Prosecution chose to ask the jury for a verdict on the guilt or innocence of three of the defendants; **Leon Charles**, the former Director General of the Haiti National Police, Lieutenant General **Augusto Heleno Ribiero Pereira** of Brazil, UN Force Commander, and **Juan Valdes** of Chile, the Special Representative of the United Nations. Eleven of the jury of 12 voted guilty, one abstained. Thus, the Tribunal started with a judgment against the managers of the massacres, the architects of the policy of terror. The verdicts and the cases of all defendants

were referred to the Commission of Inquiry for further investigation.

Ramsey Clark addressed the group at the close of the session. He sketched the history of Haiti, the perfidy of George W. Bush's attitude toward an elected government: “Aristide must go.” He noted the value of the recent Tribunal on the War in Iraq, and the need for such mechanisms by which people could hold governments accountable. Clark will lead a Commission of Inquiry to Haiti in October to gather further evidence and eyewitness testimony. The coming sessions of the International Tribunal on Haiti will further expose the reality of Haiti to the world, and will solidify a case to present to the International Criminal Court at The Hague [for criminal prosecution](#). Please follow and support this important work. Tax deductible contributions through the LASC can be mailed to International Tribunal on Haiti/CISPES Ed Fund, P.O. Box 8560 NY, NY 10116 or by secure credit card over the web to http://www.nicanet.org/donate_afgi.htm; click the “other” button and enter “Haiti Tribunal” in the blank.

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For more information visit www.stitchonline.org.

CAFTA, from p. 3.

and linings in pants exported to the U.S. But at the same time, a recent report by Public Citizen has shown that 89% of the deals negotiated to gain passage of previous trade agreements have been broken.

After the House passed the DR-CAFTA legislation just after midnight on Thursday morning, the Senate voted later in the day to pass the bill AGAIN. It turns out that the vote last month was only a tactic to help pave the road for House passage. The Constitution mandates that all legislation with revenue provisions must originate in the House and be passed by the Senate after passage by the House.

When the impact of DR-CAFTA on Central America and the Dominican Republic was infrequently mentioned, it was to refer to the need for U.S. trade to support “fledgling democracies” to keep them from falling into the clutches of Hugo Chavez of Venezuela and Fidel Castro of Cuba. President Bush noted that four (Nicaragua, El Salvador, Honduras and the Dominican Republic) of the six countries who signed the DR-CAFTA had assisted the U.S. military effort in Iraq and that this assistance should be recognized by passage of the agreement.

Daniel Ortega’s name also appeared in the Congressional debate as noted by Sarah Anderson in a piece she wrote for Common Dreams. On the Senate side, James Inhofe (R-OK) said, “These Communists, these enemies of the United States, Chavez, Ortega, and Castro, are all in opposition to CAFTA. If you want to be on their side, you would vote against CAFTA.” Even before House debate began, Rep. David Dreier (R-CA) wrote the Washington Post, “Those of us who well remember Nicaragua’s Daniel Ortega do not take lightly his fierce campaign to defeat this agreement. We can abandon our friends to poverty, dictatorship and the Ortega vision for the future. Or we can help them to grow, prosper and improve their standard of living.” In even more outrageous hyperbole, Rep. Mike Kirk (R-IL) said on the House floor that, “We can either send exports to Central America or troops.” However, Rep. Bill Pascrell, Jr. (D-NJ) had a superb retort: “I have never heard anything more absurd or simplistic in my nine years here in the House of Representatives. The people of these six countries oppose CAFTA. They say it is unfair. And it really is a corporate-inspired

trade deal that hurts working people both in the United States and Central America.”

In the immediate aftermath of the vote, the Institute for Agriculture and Trade Policy released a statement saying that the



passage of CAFTA “signals a major setback for U.S. sugar farmers and a damaging blow to Central American farmers,” adding that the deal “would lead to the destruction of the U.S. sugar program and increase dumping of agricultural commodities below their cost of production into Central American countries.” The National Family Farm Coalition noted that champagne corks were popped in the executive suites of ADM, Cargill and Con Agra, the big winners with the passage of CAFTA, adding that “the vast majority of citizens in the U.S., the Dominican Republic, and Central American countries are the losers.”

Others lamented the 275,000 HIV positive Central Americans who will be cut off from life-saving generic medicines because of the extended patent monopolies included in the treaty and factory workers who will suffer with fewer protections than they enjoyed under the Caribbean Basin Initiative which will now be replaced by CAFTA.

At the same time, we must evaluate the work that the various coalitions carried out in opposition to CAFTA and take into account the fact that we came closer to defeating a trade agreement than has ever been done before. We were able to get the word out that the majority of Central Americans opposed the agreement just as the majority of people in the United States have now turned against so-called “free trade.” While the sugar and textile industry representatives received the most press here in the U.S. for their opposition to the agreement, the Stop CAFTA Coalition, composed of many solidarity groups, was a leader in the struggle against CAFTA. Some organizations in the coalition sponsored visitors from Central America, including farmers, factory union organizers, and even bishops, to tell the story of the real impact CAFTA would have on

their economies and lives. Some put out news bulletins for members of Congress. The coalition helped organize demonstrations at every single city in the U.S. where negotiating sessions were held. We supported the activities of our partners in Central America with the placing of supportive paid ads in their local newspapers and other activities at the times when negotiating sessions were held in their countries. We stayed in touch with our Central American partners and publicized the demonstrations carried out by popular movements there. The Nicaragua Network, an active member of the coalition, sent to every member of the House of Representatives a petition to the U.S. Congress signed by over 800 representatives of Central American organizations meeting at the Meso-American Forum in El Salvador explaining why they opposed CAFTA. Representative Hilda Solis (D-CA), the only member of Congress of Nicaraguan parentage, then sent it again with a letter from her reminding her colleagues that they had received the petition from the Nicaragua Network and explaining why she would vote against CAFTA.

But, we still lost. What can we do now? We can keep close watch on the implementation of CAFTA and report on abuses. In fact, the Stop CAFTA Coalition has resolved to stay in existence to do just that. Visit www.stopcafta.org. We can continue to oppose the Free Trade Area of the Americas (FTAA) and make sure that it remains, as it is today, “dead in the water.” We can work to oppose the FTAA’s baby sister the AFTA, or Andean Free Trade Agreement, which is encountering numerous problems. Labor unions are vowing to punish the 15 Democrats who voted for CAFTA by making sure that they are challenged by strong candidates in their next primary elections. Below is a list of the Democrats who voted in favor of DR-CAFTA. Is your representative on the list? Be sure to let him or her know how disappointed you are. On the other hand, if your representative voted against CAFTA, don’t fail to call or write and thank him or her.

Democrats who voted for DR-CAFTA: Bean (IL), Cooper (TN), Cuellar (TX), Dicks (WA), Hinojosa (TX), Jefferson (LA), Matheson (UT), Meeks (NY), Moore (KS), Moran (VA), Ortiz, (TX), Skelton (MO), Snyder (AK), Tanner (TN), Towns (NY).

So let’s wipe our tears and prepare for the next battle.

Month, from p. 14.

Venezuela at 40% less than the international oil price would be sold exclusively to taxis and buses to aid the public transportation crisis. Although the central government has expressed its doubts about the deal, Marenco assured the public that an agreement has been reached between the Nicaraguan Association of Municipal Governments (AMUNIC) and the Venezuelan Petroleum Company (PDVSA).

In other economic news, the Government declared a state of emergency in 90 communities in the municipality of Waspam, in the Northern Atlantic Autonomous Region (RAAN) on September 6. The crops of rice, corn and beans cultivated by indigenous Miskito and Mayangna communities have been "destroyed almost in their entirety by severe flooding and an uncontrolled plague of rats," according to the mayor of Waspam Cornelio Raymundo. He urged the government to look for international food aid for the more than 40,000 inhabitants of the area who have nothing to eat.

Banana Workers

In late August, the Judge of the Second Civil Court of Chinandega, Socorro Toruño, ruled in favor of the demand by 150 Nicaraguan farmworkers' for US\$97 million in compensation from four multinational companies for the psychological and physical scars they suffer as a result of exposure to the dangerous pesticide Nemagon (DBCP) during the 1960s, 70s and 80s. Since their exposure, the farmworkers have suffered from many serious illnesses and hundreds have already died. According to Justice Toruño, the transnational companies knew about the affects on human health caused by the products and decided to continue selling them anyway.

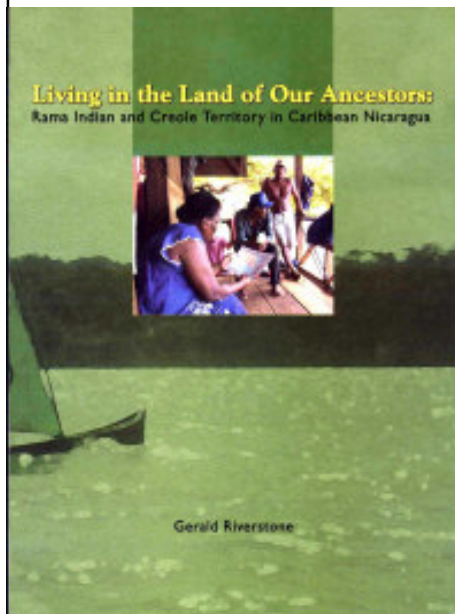
A group of Nicaraguan and US lawyers are now preparing several more demands for compensation from the multinationals that sold or used the now internationally banned product in Nicaragua. They believe that, unlike this latest case which lasted three years, future cases will be concluded in much less time as a result of the precedent that has now been set.

On Aug. 25 a panel of three judges in the Federal Appeals Court in Los Angeles, USA, ruled against an appeal of two multinational chemical companies, Dow Chemical and Shell Oil Company, and in favor of the demands of thousands of Nicaraguan agricultural workers. Dow and

New book available on indigenous land rights and tropical forest conservation: *Living in the Land of Our Ancestors: Rama Indian and Creole Territory in Caribbean Nicaragua*

This new book by geographer Gerald "Jerry" Mueller Riverstone explores the political ecology of indigenous land rights struggles in Caribbean Nicaragua.

The Rama Indians and Afrocaribbean Creoles inhabit southeastern Nicaragua's Caribbean coast and islands, and one of the largest intact rainforests remaining in all of Central America. Despite the region's designation as an International Biosphere Reserve, it is currently being impacted by colonization and deforestation along Nicaragua's advancing agricultural frontier, and is further threatened by tourism development and proposed oil pipeline, railway, and road-building projects.



Living in the Land of Our Ancestors covers ample ground, from the prehistory, history, and culture of Caribbean Nicaragua and its indigenous peoples to the present-day struggle by the Rama and Creoles to obtain the legal recognition of their ancestral land rights. The book documents the current threats to Rama Territory, and describes the Rama and Creoles' efforts to organize, build alliances, and resist these threats. The results of a participatory mapping project are also presented, providing a detailed overview of current land and natural resource use by the Rama and Creoles and zones of conflicts with outsiders. The book includes a chapter on

Nicaragua's new Indigenous Land Demarcation Law, and concludes with recommendations on how to proceed with indigenous land demarcation in Nicaragua.

A central message of the book is that indigenous land rights and tropical forest conservation are inseparable issues in Nicaragua, and that urgent action is needed to safeguard the country's cultural and biological diversity.

The book is richly illustrated with full-color photographs, maps, and satellite images, and includes many quotes from Rama and Creole community leaders and elders.

The book costs \$25 per copy, including shipping. Fifty percent of profits from the book's sale will be donated to the Rama Territorial Government to assist in their land demarcation efforts.

To order, contact the Nicaragua Network, at nicanet@afgj.org or by calling 202-544-9355. Or send a check for the indicated amount to Nicaragua Network, 1247 "E" Street, SE, Washington, DC 20003. Order on line at www.nicanet.org

Shell had asked the LA court to declare null a ruling made in a Managua court in 2002 in which the companies were ordered to pay the sum of US\$489.4 million in compensation for the physical and mental damage caused to Nicaraguans who were exposed to Nemagon, a product which the two companies sold to banana producers.

La Prensa reported that the companies had asked the court to declare that the decision of the Nicaraguan court was not valid in the United States and that they were not responsible for any of the damage suffered by Nicaraguan workers who used the pesticide. The court, however, denied their request.

Month In Review

Political Issues

The conflict between President Enrique Bolaños and the leaders of the Constitutional Liberal Party (PLC) former president Arnoldo Aleman and of the Sandinista Party (FSLN) former president Daniel Ortega continued in August and September. The national dialogue was not resumed although rumors of imminent resumption of the talks appeared each week. Bolaños refused to re-join the dialogue because the PLC and FSLN would not put aside the constitutional amendments they had passed earlier this year which took powers over appointments to regulatory agencies away from the executive branch and gave them to the legislature. The Supreme Court meanwhile ruled that the amendments were constitutional and, in reaction, President Bolaños looked again for support from the Organization of American States (OAS) and other foreign bodies. The permanent council of the OAS issued a declaration in which it urged that “any action that could aggravate further the political crisis in Nicaragua be suspended.” It also asked that the Bolaños’ administration be respected.

U.S. special envoy Oliver Garza came and went, apparently unable to bring the Nicaraguan right together in an anti-Sandinista coalition for the next presidential and legislative elections now just over one year away. When Garza told a meeting of PLC leaders that they should “forget about Aleman,” the leaders told him that was not going to happen. Political analysts have expressed their doubt as to how much influence the US authorities really have over the PLC anymore. “The US has little capacity to influence the PLC,” said Luis Humberto Guzman, political analyst and member of the Convergence, the group of political parties that have formed a coalition with the FSLN. Guzman believes that the leaders of the PLC, and in particular Aleman, “no longer trust the gringos who did nothing to help Aleman during his court case in 2003.”

The Nicaragua Network is following the already-advanced U.S. intervention in the up-coming elections of 2006 in Nicaragua and you will shortly begin to receive action alerts on the subject and be able to find information on our web page at www.nicanet.org.

Another item on Oliver Garza’s agenda was destruction of the SAM-7 missiles held by the Nicaraguan military. As predicted by analysts when Garza arrived in Nicaragua, the U.S. envoy was not able to find a way around the Arms Law passed by the National Assembly earlier this year. This piece of legislation placed the final decision about the destruction of Nicaraguan Army weapons in the hands of the legislature.

President Bolaños and several members of his cabinet were threatened with the removal of immunity from prosecution by the National Assembly so that they could be tried for campaign finance law violations. But in a late development, Daniel Ortega asked National Assembly president Rene Nuñez to prevent committee reports that recommend taking away the immunity of the president and six cabinet members from reaching the agenda so as to give the executive branch a chance to rejoin the national dialogue.

The PLC and the FSLN invited the president to a meeting at the Catholic University (UNICA) on September 21 to discuss the energy crisis (see below). “This meeting would mark the restart of the dialogue process,” said Edwin Castro, coordinator of the Sandinista bench in the National Assembly. Castro went on to say, however, that “at any moment” the legislative branch could take a vote on the proposal to take away the immunity of the seven members of the executive branch. Bolaños’ private secretary Ariel Montoya told the media that the executive branch has no plans to attend the meeting the 21st as the two parties continue to refuse to discard the constitutional amendments.

Former president Aleman, who has been under house arrest as part of a 20-year jail sentence for money laundering and fraud against the Nicaraguan state, has had his status changed and changed again in the last two months. For two days in July, he enjoyed what is called “Family Life Regime” and was allowed to travel around Managua and meet with as many of his friends and political colleagues as he wished. Then, on August 9th the National Penitentiary System (SNP), as ordered by President Bolaños, ruled that he was not permitted to leave his bedroom and visits were limited to once a week for ten minutes. On Aug. 23 the SNP applied even

stricter conditions, in which visits were limited to every three weeks. As the Monitor goes to press news has come that the Family Life Regime has been restored.

Meanwhile, judicial authorities in Panama and Florida, USA, said they would soon begin their respective court cases against Aleman and members of his family for money laundering. A source in Panama told La Prensa that the preliminary hearing for the case there will take place on Nov. 23 of this year. Aleman, his wife, his father-in-law, and former head of Internal Revenue Byron Jerez are accused of taking part in a scheme to launder over US\$74 million through Panamanian banks.

On August 21, Dora Maria Tellez, President of the Sandinista Renovation Movement (MRS), confirmed the decision by the group’s permanent council to break away from the National Convergence (the umbrella group of small political parties allied with the FSLN, and to join the newly emerging alliance of the Christian Alternative party and the Movement to Rescue Sandinismo (also MRS) which have named the former Managua mayor Herty Lewites as their presidential candidate for the 2006 presidential elections. Lewites, who was expelled from the FSLN after he publicly declared his intention to challenge Ortega in primary elections for the presidential nomination, has repeatedly been shown to be the most popular political figure in Nicaragua in polls carried out during the last year.

The news of the Sandinista Renovation Movement’s decision to break away from the FSLN alliance puts Daniel Ortega in a difficult situation. The alliance of the FSLN and several small parties such as the MRS is widely credited for the virtual sweep of Convergence candidates in last year’s municipal elections. The FSLN alone, especially with Ortega as its standard bearer, will have a far smaller appeal.

However, it is still unclear whether the new alliance headed by Lewites will be able to attract a large enough percentage of the votes in the 2006 elections to actually win the presidency. If Lewites does succeed in getting his name on the ballot, he is certainly a very real threat to Ortega’s hopes for an FSLN victory next year.

See Month, p. 14.

Month, from p. 13.

CAFTA News

On September 8, several thousand people representing civil society groups and other organizations took part in a protest against the Dominican Republic and Central American Free Trade Agreement (DR-CAFTA) in Managua. The march lasted over two hours and ended outside the National Assembly building. Students, agricultural workers, small producers and public sector workers took part in the march which was led by FSLN General Secretary Daniel Ortega, who described DR-CAFTA as a “death sentence for small and medium producers in Nicaragua.” Student leaders who took part in the march warned that they would resort to violence if the Assembly ratifies the trade agreement.

Assembly President Rene Núñez, a Sandinista, stated that the Assembly leadership has agreed to approve a set of parallel laws to protect the sectors which would be most affected by DR-CAFTA before bringing it to a vote. This understanding leads us to suspect that the passage of legislation to implement CAFTA is a done deal and that the FSLN will only be able to keep it off the agenda for the short to medium term. The only hope for those opposed to the unfair deal is that President Bolaños and the PLC do not come to an agreement on the terms of Arnoldo Aleman’s imprisonment soon. As noted above that hope may have ended as the Monitor goes to press. The PLC and the parties supporting the President together have enough votes to pass DR-CAFTA.

According to Ruth Herrera, President of the Consumer Defense Network, the Dominican Republic and Central American Free Trade Agreement (DR-CAFTA) will allow multi-national companies to get their hands on the rights to Nicaragua’s water. “These are the things the government doesn’t want you to know. This is the small print being hidden from the public,” stated Herrera. “The provision of water is a public service, and after DR-CAFTA is implemented all contracts for public services will be put out for bidding by international companies.”

For an international law to be approved, a simple majority of 47 votes in favor is required (DR-CAFTA is classified as an international law). The Liberal bench consists of 43 deputies. Both the Christian Path and the Blue and White Benches

(which together have eight deputies) have confirmed their decision to vote in favor of the trade agreement. Thus it seems inevitable that if and when DR-CAFTA reaches the Assembly floor it will be passed.

The news that the Dominican Republic and Central America Free Trade Agreement (DR-CAFTA) was passed in the US House of Representatives on July 27 was met with despair by Nicaraguan civil society. Violeta Delgado, representative of the Civil Coordinator, an umbrella group made up of several Nicaraguan NGOs, said the organization would continue in its campaign to educate the Nicaraguan population about the “true implications of the agreement” with a special focus on the sectors of society that will be most affected by the implementation of DR-CAFTA, “specifically the peasants.”

Energy Crisis

From September 9 to the 21st, electricity was blacked-out in Nicaragua to all national grid consumers for at least three hours a day and in some areas for more than six hours a day. Officials at Union Fenosa, the Spanish company which bought the state-owned electric company, announced their decision to begin rationing after a Supreme Court ruling (in a case brought by the Consumers Defense Network) nullified rate increases in consumers’ electricity bills and prohibited any further increases. According to Fenosa and the electricity generating companies, with record high international oil prices and without either a significant government subsidy or further increases in what Nicaraguans pay for electricity, it was impossible to provide a sufficient amount of energy to keep up with national demand. However, even prior to the increase in oil prices the Consumers Defense Network was receiving hundreds of cases where consumers were being overcharged. The Network also accused Union Fenosa of failing to make the investments in infrastructure that was part of the privatization agreement under which they bought the electric distribution rights.

On September 21, an agreement was reached which would free up money for electricity subsidies and it was expected that rationing would come to an end.

Minister of Finance Mario Arana told of the Executive branch’s desire to subsidize all those consumers who use less than 150 kilowatts of electrical energy per month, which constitutes 73% of all Nicaraguan

electrical consumers, while increasing the rate for larger consumers.

FSLN General Secretary Daniel Ortega, rejected the idea that the solution lies in increasing the electricity bills paid by consumers saying instead the government should look towards importing cheaper petroleum. Ortega suggested revising the contracts of Union Fenosa and the electrical generator companies and investigating their claims of huge losses. “I think it unlikely the losses are as large these companies make out.”

In spite of promises made by Union Fenosa officials to the Ministry of Health on September 13, that hospitals and health centers would not be affected by power cuts, those institutions did lose power in the black-outs and critical situations arose in several hospitals across the country as the week went on. The Lenin Fonseca hospital in Managua was particularly affected between 6:00 pm and midnight on September 15 when the hospital’s emergency electrical generator failed to kick in after it was damaged by power surges. One of the two X-Ray machines was also damaged in the same way. The hospital was thrown into complete darkness for six hours and nurses and doctors were forced to fan six intensive care patients by hand to prevent high temperatures worsening their conditions.

Other Economic Issues

A public transportation strike in the capital began on September 19 after an emergency meeting of the leaders of the 38 collective transportation cooperatives that operate busses in the Managua and Ciudad Sandino areas. President of the Regional Union of Collective Transport Cooperatives (URECOOTRACO) Rafael Quinto announced the strike. “The government has forced us to take this decision by failing to come up with the US\$1.8 million for a public transportation subsidy in Managua,” said Quinto.

Although the bus owners (most of whom drive their own busses) were demanding US\$4.8 million in subsidies for the rest of the year, the strike was called off on September 21 when the Minister of Public Finance, Mario Arana, promised to provide the US\$1.8 million to the bus drivers within the coming days.

Mayor of Managua Dionisio Marengo announced on September 20 that the petroleum expected to be imported from

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