

**"Say Uncle"
Reagan Doctrine and Nicaragua**

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**Senior Seminar: HST 499
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May 28, 2010**

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On Friday October 16, 1981, President Ronald Reagan wrote in his personal diary, “Central America is really the world’s next hotspot. Nicaragua is an armed camp supplied by Cuba and threatening a communist takeover of all of Central America.”¹ For the next eight years as Commander-in-Chief, this mindset would shape his perspective on the small Third World country about the size of North Carolina. The Administration’s policies, actions, and attitudes toward Nicaragua and other perceived hostile nations became known as “Reagan Doctrine.” The defeat of the Nicaraguan Revolution became the “cornerstone of the Reagan Central American policy and the test case of Reagan Doctrine.”² This paper offers an analysis and critique of the effectiveness of Reagan Doctrine in Nicaragua.

Reagan Doctrine was not a label coined by President Reagan or his administration. It was a term used later by his critics to define his foreign policy strategy for countries around the world. The Reagan Doctrine was a strategy to aid anti-communist, or more specifically, anti-Soviet insurgencies in the Third World during Reagan’s two terms as president from 1981-1989. The primary goal was to overthrow Marxist regimes and/or prevent Marxist regimes from becoming established.

Reagan wasted no time getting started in the implementation of his foreign policy. He supported insurgencies in Afghanistan, Angola, Cambodia, and Nicaragua soon after his election in 1981.³ The Administration’s first comprehensive “U.S. National Security Strategy,” which was a document approved by the President in May of 1982, stated the

¹ Ronald Reagan, *The Reagan Diaries*, ed. Douglas Brinkley (New York: HarperCollins, 2007), 44.

² William I. Robinson, *A Faustian Bargain: U.S. Intervention in the Nicaraguan Elections and American Foreign Policy in the Post-Cold War Era* (Boulder, Co: Westview Press Inc., 1992), 12.

³ Though the topic of this paper is the case study of Nicaragua under Reagan Doctrine, it is important to note that while facilitating insurrections in Nicaragua, the administration was doing the same thing in other Third World countries. Reagan Doctrine was a global strategy. The support of the Mujaheddin in their war against USSR in Afghanistan is another example of the Reagan Doctrine.

objective to “contain and reverse the expansion of Soviet control and military presence throughout the world, and to increase the costs of Soviet support and use of proxy, terrorist and subversive forces.”⁴ Reagan made staunch calls for public support in his efforts. In the State of the Union Address in 1985, for example, he stated that the U.S. must “not break faith with those who are risking their lives—on every continent, from Afghanistan to Nicaragua—to defy Soviet-supported aggression.” One year later he boldly remarked that “America will support with moral and material assistance your right not just to fight and die for freedom, but to fight and win freedom...in Afghanistan, in Angola, in Cambodia, and in Nicaragua.”⁵

In most of these nations, the aggressive policies and actions of Reagan caused severe damage. In Nicaragua for example, the economy was decimated by U.S. sanctions and manipulation of its banking institutions. The Administration, supported by Congress, funded a war against the Sandinista National Liberation Front (Frente Sandinista de Liberación Nacional, or FSLN). It was a war fought by various Nicaraguan rebel groups, labeled the Contras, which sought to overthrow the Sandinistas, who came to power after the revolution in 1979.

The development of Contra forces began in 1981 when Reagan authorized \$19.5 million in funding for the Central Intelligence Agency (CIA) to construct a paramilitary force of 500 Nicaraguan exiles from deposed President Anastasio Somoza’s National Guard.⁶ Along with congressionally funded aid, members of the Reagan Administration

⁴ Chester Pach, “The Reagan Doctrine: Principle, Pragmatism, and Policy,” *Presidential Studies Quarterly* 36.1 (2006): 80.

⁵ James M. Scott, “Interbranch Rivalry and the Reagan Doctrine in Nicaragua,” *Political Science Quarterly* 112, no. 2 (Summer 1997): 237.

⁶ Kenneth Roberts, “Bullying and Bargaining: The United States, Nicaragua, and Conflict Resolution in Central America,” *International Security* 15, no. 2 (Autumn 1990): 78.

attained additional funds through the illicit sales of arms to Iran. Funds from these sales were funneled to the Contras. When this illegal activity was revealed in the “Iran-Contra Affair” in November of 1986, it led to the indictment and conviction of many of Reagan’s staff.

The results of continual U.S. aggression in the 1980s were major factors that led to the ultimate fall of the FSLN. The Sandinista collapse was not due to a Contra military victory, however, but was essentially due to the economic impact of U.S. sanctions, the trade embargo, and Contra attacks on the social and economic infrastructure of the country. The failing economy was the determining factor that finally pushed President Daniel Ortega to accept his defeat in the elections of 1990 and turn over the government to the victorious conservative, Violeta Chamorro. These elections were not due to Reagan’s efforts however, but rather to others, particularly President Oscar Arias of Costa Rica. It was he who facilitated and negotiated the peaceful transfer of power in Nicaragua.⁷ Reagan’s aggressive foreign policy did not lead to the ceasefire in 1988 nor the democratic elections and peace agreements of 1989-90.

Reagan policy in Nicaragua was failure in many respects. The Contra war was ill-conceived and did not enjoy support of the people of Nicaragua. The rebel forces never legitimately threatened the Sandinista government and military. The U.S. failed to gain international support for the war or its political and economic actions. In fact, Reagan

⁷ Sources that evaluate and discuss Arias’ peace plan and how it was developed and eventually adopted are well-documented in: Kenneth Roberts, “Bullying and Bargaining: The United States, Nicaragua, and Conflict Resolution in Central America,” *International Security* 15, no. 2 (Autumn 1990): 67-102 and Linda Robinson, “Peace in Central America?,” *Foreign Affairs* 66, no. 3 (January 1988).

was largely condemned by the international community. Domestic support and popular opinion was low as well.⁸

Reagan complained in his diary in March of 1985 of the lack of support, writing: “Our communications on Nicaragua have been a failure, 90 percent of the people know it’s a communist country but almost as many don’t want us to give the Contras [money] for weapons.”⁹ U.S. funding and support for the war effort was inadequate. The blemishes of the Iran-Contra Affair and the failure of the Contra mission to overthrow the government scarred Reagan’s remaining years as President. As the war continued on, Reagan lost more and more support in Congress for his efforts in Nicaragua, and it eventually led to his decreased role in bringing peace to the country, especially after the Republican Party loss of a Senate majority in 1986.¹⁰

Nicaragua did not pose a threat to the U.S., and the Soviet Union and Cuba did not try to dominate Ortega and his government, even though they provided aid to the Sandinistas as a result of the U.S. economic embargo. Reagan was convinced that Nicaragua was “of course” another Cuba.¹¹ Reagan’s policies pushed communist nations into aiding Nicaragua. The FSLN enjoyed majority support of the people, and were not looking for a change until the end of the decade when they could no longer survive with the Sandinistas under U.S. pressure. Did Reagan really need to be concerned with Nicaragua? Probably not. However, his firm Cold War policy stance led him to believe

⁸ Joshua Muravchik, “The Nicaragua Debate,” *Foreign Affairs* 65, no. 2 (December 1986): 371. For example, in 1986, a CBS/New York Times poll revealed that there was more than a 2-1 majority that U.S. citizens opposed funding the Contras.

⁹ Reagan, “Reagan Diaries,” 308, 402.

¹⁰ Roberts, 94.

¹¹ Reagan, “Reagan Diaries,” 67.

that the country posed a threat, and he had to do whatever it took to keep socialism out of Central America by making Nicaragua “say uncle.”¹²

In damaging Nicaragua’s economy, Reagan Doctrine policy caused ripple effects on the USSR and Cuba who were aiding Nicaragua during this time. When the Administration began to halt trade and relations with Nicaragua, the USSR and Cuba began their efforts to provide the country increased economic aid, military aid, and trade revenue. By the time Reagan left office, economic aid from the USSR never came close to covering Nicaragua’s losses from U.S. sanctions on the economy. The USSR was not prepared to shoulder the financial burden of propping the Nicaraguan economy.¹³ When the Sandinistas lost the elections of 1990, the USSR cut off its aid to Nicaragua. In 1991 the USSR collapsed largely due to its own failing economy. Was it Reagan’s goal to financially strap the USSR through pressure on Nicaragua and other similar Soviet allies? It is likely, and if it was his goal, it worked.

Many historians, political scientists, and economists have analyzed the complicated issue of Reagan Doctrine and its stress on Nicaragua that lasted almost a decade. It has been nearly twenty years since the Sandinistas were ousted from power, and evaluation of what led to their demise has been the subject of research and debate.¹⁴ Many scholars have come to the similar conclusion that the Reagan Administration mishandled Nicaragua in most respects, especially militarily and diplomatically.

¹² Bruce W. Jentleson, “The Reagan Administration and Coercive Diplomacy: Restraining More Than Remaking Governments,” *Political Science Quarterly* 106, no. 1 (Spring 1991): 66.

¹³ William M. Leogrande, “Making the Economy Scream: US Economic Sanctions against Sandinista Nicaragua,” *Third World Quarterly* 17, no. 2 (1996): 342-43.

¹⁴ However former President, Daniel Ortega, was re-elected as President in 2006, representing the FSLN once more.

The historiographical approach to the topic has been predominantly quantitative, especially when historians discuss the economic impact the U.S. had on Nicaragua. The statistical and numerical data they provide is extensive. Much of the data comes from the government of Nicaragua: the Secretariat of Planning and the Budget and the Fondo Internacional de Reconstrucción, Managua. The statistics provided show numerical data representing such things as the impact of the damage of the balance of payments, the effect of the production losses on exports and domestic supply, and fiscal debt and inflation.¹⁵

William M. Leogrande's journal article "Making the Economy Scream: US Economic Sanctions Against Sandinista Nicaragua", published in 1996, looks at the economic stranglehold the U.S. placed on the Sandinista government in Nicaragua from 1981-1990. Leogrande is an expert on Latin American affairs, and has frequently published works on the relationships between the U.S. and Latin American countries. Unlike analyses published by political scientists and historians during the 1980s, or shortly after the FSLN fell, this work discusses what happened almost a decade after the Sandinista government disintegrated.¹⁶ It provides a clearer picture of what happened after all the "dust had settled." The key players of the era were either dead or gone, the FSLN had been defeated in elections and replaced, and the impact of the economic sanctions can be analyzed. Leogrande's thesis is Reagan decimated the Nicaraguan

¹⁵ E. V. K. Fitzgerald, *An Evaluation of Economic Costs to Nicaragua of U.S. Aggression: 1980-1984*, in *The Political Economy of Revolutionary Nicaragua*, ed. Rose J. Spalding (Winchester, Massachusetts: Allen & Unwin, Inc., 1987), 200-02.

¹⁶ Great sources of evaluating the economic impact of U.S.-led sanctions during the first term of Reagan's Administration: William I. Robinson, *A Faustian Bargain: U.S. Intervention in the Nicaraguan Elections and American Foreign Policy in the Post-Cold War Era* (Boulder, Co: Westview Press Inc., 1992) and Bradford E. Burns, *At War in Nicaragua: The Reagan Doctrine and the Politics of Nostalgia* (New York: Harper & Row, 1987) 29-35.

economy and sanctions and the trade embargo were the most effective tools the administration used to destabilize the Nicaraguan government.

This article is useful to compare with E.V.K. Fitzgerald's chapter in *The Political Economy of Revolutionary Nicaragua*.¹⁷ Both Fitzgerald and Leogrande examine the economic effects resulting from the relationship between the two nations. Each historian views the issues during different time periods. "What if" statistics, which are projected outcomes of continual anticipated U.S. sanctions, portrayed by Fitzgerald, can be examined and analyzed to a degree in Leogrande's work. Like Fitzgerald, Leogrande also uses a quantitative approach by using numbers, statistics, and studies to make his arguments against the U.S. For example, Fitzgerald displays a table within the text that projects that annual growth in Nicaragua will continue to suffer and decline under U.S. sanctions through the rest of the 1980s.¹⁸ Her concerns in 1984 about Nicaragua's future under U.S. sanctions are confirmed by Leogrande's contemporary work that reflects on the rest of the decade. Leogrande states that by 1988, Nicaragua was in a severe recession, the economy contracted by 15 percent, and inflation was steadily increasing.¹⁹

From separate eras, Leogrande and Fitzgerald similarly argue that economic sanctions by the Reagan Administration were essential in bringing down the Sandinistas. Reagan's actions during his presidency were viewed negatively by his contemporaries, and the analysis of his actions post-1990 reflects those early felt sentiments. They conclude that economic action taken by the U.S. ultimately led to the fall of the Sandinistas. It can then be argued, like many historians do, that Reagan's military actions against the Sandinistas ultimately were unsuccessful in his hope to break the socialist

¹⁷ Fitzgerald, 195-213.

¹⁸ Ibid., 211.

¹⁹ Leogrande, 343.

government while his economic policies severely damaged the country. While Reagan essentially succeeded in bringing down the Sandinistas and draining Soviet and Cuban resources, his military campaign failed to bring the Sandinistas down, and the collateral damage caused by the Contras was significant.

The Contra war was intended to be fought against the military and military installations of the FSLN. Congress approved funding on several occasions throughout Reagan's two terms because Reagan assured legislators in Washington that the Contras would be fighting the military exclusively.²⁰ Congress was hesitant to support the insurgency, but voted for funding anyway. Reagan was emphatic that the U.S. would not be supplying its own troops, hoping to alleviate fears of "another Vietnam."²¹ However, the Contras instead resorted to attacking the people of Nicaragua. Testimony of U.S. special forces confirm the focus of attacks was primarily economic targets, such as oil fields, coffee fields, and even the planting of mines in port cities.

The U.S. played a significant role in these sabotage campaigns, but tried to paint the picture that it was entirely the Contra's doing, keeping connections with the U.S. out of the conversation as much as possible.²² E. Bradford Burns, for example, concurs with the notion of the role of the U.S., making it a primary argument in his book.²³ The analysis of the Contra war is very condemning of the Reagan Administration. In fact, it is

²⁰ Useful sources on developing and implementation of U.S. foreign policy towards Nicaragua, as well as the actions of the Executive and Legislative branches include: William I. Robinson, *A Faustian Bargain: U.S. Intervention in the Nicaraguan Elections and American Foreign Policy in the Post-Cold War Era* (Boulder, Co: Westview Press Inc., 1992), Chester Pach, "The Reagan Doctrine: Principle, Pragmatism, and Policy," *Presidential Studies Quarterly* 36.1 (2006), James M. Scott, "Interbranch Rivalry and the Reagan Doctrine in Nicaragua," *Political Science Quarterly* 112, no. 2 (Summer 1997) and Philip Brenner, and William M. Leogrande, "The House Divided: Ideological Polarization over Aid to the Nicaraguan 'Contras'," *Legislative Studies Quarterly* 18, no. 1 (February 1993).

²¹ Reagan, "Reagan Diaries," 308.

²² Leogrande, 340.

²³ Bradford E. Burns, *At War in Nicaragua: The Reagan Doctrine and the Politics of Nostalgia* (New York: Harper & Row, 1987).

even suggested that many actions that the CIA and the Contras were engaging in could be defined as acts of terrorism.²⁴ Historians agree that the Contras were militarily weak and posed limited threat to the government and Sandinista military. The Contras were successful however, in launching a campaign against domestic targets that helped to bankrupt the national economy.

Scholars concur that Reagan's war to bring down the FSLN was both illegal and ineffective. The Contras were unsuccessful and were not fighting a war that had been outlined by the Administration and Congress. Historians focusing on the relationship between the U.S. and Nicaragua during the 1980s offer different perspectives on what occurred, who was responsible, and what the final results were. Some scholars focus on the lack of military success, others on foreign policy formulation and implementation, and others evaluate the conflict through the problems the Administration faced by failing to get significant international support.²⁵

There are several reasons why Reagan Doctrine policy in Nicaragua was unsuccessful and why U.S. intervention in the country was needless. When evidence is analyzed it becomes quite clear that the Reagan Administration acted harshly with the small, underdeveloped, weak Third World country during his two terms as President.²⁶

²⁴ Burns, 152.

²⁵ Sources to analyze the lack of international support include: Bradford E. Burns, *At War in Nicaragua: The Reagan Doctrine and the Politics of Nostalgia* (New York: Harper & Row, 1987) and Kenneth Roberts, "Bullying and Bargaining: The United States, Nicaragua, and Conflict Resolution in Central America," *International Security* 15, no. 2 (Autumn 1990). Valuable sources for evaluating the lack of Contra success against the Sandinista military: Leslie Cockburn, *Out of Control: The Story of the Reagan Administration's Secret War in Nicaragua* (New York: The Atlantic Monthly Press, 1987), Bruce W. Jentleson, "The Reagan Administration and Coercive Diplomacy: Restraining More Than Remaking Governments," *Political Science Quarterly* 106, no. 1 (Spring 1991).

²⁶ Transcripts of speeches, essays, letters, and radio addresses are found in: Ronald Reagan, *Reagan in His Own Hand: The Writings of Ronald Reagan That Reveal His Revolutionary Vision For America*, ed. Kiron K. Skinner, Annelise Anderson, and Martin Anderson (New York: Simon & Schuster, Inc., 2001) and diary entry primary sources are found in: Ronald Reagan, *The Reagan Diaries*, ed. Douglas Brinkley (New York: HarperCollins, 2007).

Nicaragua was not a threat to the national security of the U.S. The Sandinistas were not working with the USSR and Cuba to undermine the U.S. Reagan acted with a heavy hand, and the people of Nicaragua suffered tremendously because of his foreign policy. The Sandinistas improved the lives of the people as compared to Somoza's reign, they held legitimate elections, and were willing to make concessions to the U.S. if Reagan was willing to negotiate. Reagan's military campaign against the Sandinista forces was unsuccessful, and the revelations of CIA actions in Nicaragua and the Iran-Contra Affair all but eliminated international and domestic support for his foreign policy in Central America.

Reagan worried that the Nicaraguan Revolution would start a "domino effect" in Latin American countries. He feared countries would eventually fall to communism.²⁷ The USSR and Cuba would infiltrate and utilize these countries to expand their influence over the globe and inch closer to the American border and establish a "beachhead."²⁸ He believed the Sandinistas were oppressive to their people and that the citizens desired democracy.

Quite the opposite of being oppressive, the Sandinista revolution improved the lives of the people in several areas. After 1979, Nicaraguans enjoyed greater access to education, health care, and land. In 1980, a crash literacy campaign reduced illiteracy from 50 to 10 percent. By 1983, more than a million Nicaraguans (40 percent of the population) were in school and the number of schools doubled between 1979 and 1984. The government provided free education from kindergarten through graduate school.

²⁷ The U.S., at this same time, was also heavily involved with the El Salvadoran and Guatemalan military. Insurgencies in both countries received some support from socialist nations. This further supported Reagan's belief that the USSR and Cuba was trying to gain a foothold in Central America.

²⁸ Jentleson, 66.

Health care was also free. Agrarian reform targeted unused and underused land by handing it over to people who wanted it and were willing to work on it.²⁹ These were all changes provided after the Somoza Dynasty was overthrown in 1979.³⁰

Nicaragua had no intentions of becoming a client state of the USSR. Leaders of the FSLN actually downplayed the role of Marxism in the formulation of their party, and instead focused almost exclusively on the figure of Sandino (the founder of the FSLN decades before) and other Nicaraguan heroes who had been symbols of resistance to U.S. domination.³¹ Though Nicaragua relied heavily on Soviet and Cuban aid through the 1980s, it strove tremendously to erase the label as a Soviet client state in a desperate bid to gain support from West European governments as well as liberals in U.S. Congress.³²

Trying to erase the label that they were not a Soviet client state, early on the Sandinistas showed willingness to compromise with the U.S. Following the U.S. invasion of Grenada in October 1983, Nicaraguan representatives made independent conciliatory moves to ease the pressure on their nation. Salvadoran rebel leaders and one thousand Cuban military advisors were asked to leave the country. Furthermore, the government offered to negotiate additional restrictions on foreign advisors, military forces and arms imports. The Contra rebels were offered partial amnesty. Despite Nicaragua's willingness to negotiate, Reagan believed the best alternative was to continue his course of action. He wrote in his diary in the same month that "it's amazing how much consensus there is...that what we are doing is right & Nicaragua is the real

²⁹ Burns, 6-7.

³⁰ The Somoza family had been in control of the Nicaraguan government since 1936.

³¹ Gary Prevost, *The FSLN*, in *Nicaragua Without Illusions: Regime Transition and Structural Adjustment in the 1990s*, ed. Thomas W. Walker (Wilmington, De: Scholarly Resources Inc., 1997), 153.

³² Prevost, 153.

villain.”³³ Whereas the Sandinistas showed the willingness to cooperate and negotiate, Reagan believed in his original plans to overthrow the government through the Contra forces. He clearly was getting similar advice from the Administration to continue as planned in Nicaragua. Although Secretary of State George Shultz initially accepted the Sandinista initiatives, the Administration later dismissed Nicaragua’s moves as a “campaign of deception designed to avoid real accommodation.”³⁴

Because Congress refused to appropriate as much money as desired by Reagan, the Administration turned to clandestine means such as acquiring funds from Saudi princes and various illegal and unconstitutional practices.³⁵ One of Reagan’s tactics named Operation Elephant Herd utilized the CIA and the Pentagon. Authorized by the President in June of 1982 and then implemented in December of the same year, the operation channeled military equipment secretly from the Pentagon’s inventory to the CIA for the Contras’ use. For example, in 1983 when Congress announced a legal cap of \$24 million in aid to the Contras, Elephant Herd provided an additional \$12 million worth of military supplies.³⁶ Investigation exposed the CIA for its deplorable action in Nicaragua, such as the mining of Nicaraguan harbors, the preparation of an “assassination manual”, the military buildup in Honduras, and numerous other incidents, all which tarnished the American position in Nicaragua.³⁷

One of Reagan’s principal arguments against the Sandinistas was that they were not a legitimate government because their elections in 1984 were “rigged.” The people of

³³ Reagan, “Reagan Diaries,” 189.

³⁴ Roberts, 78-9.

³⁵ *Ibid.*, 70. Reagan wrote in his diary in December of 1981: “We’re proceeding with covert activity in Nicaragua to shut off supplies to the guerillas in El Salvador.” (Reagan, “Reagan Diaries,” 52.)

³⁶ Leslie Cockburn, *Out of Control: The Story of the Reagan Administration’s Secret War in Nicaragua* (New York: The Atlantic Monthly Press, 1987), 12.

³⁷ Jentleson, 70.

Nicaragua, according to Reagan, were being oppressed and viewed the government unfavorably. The Contras, to Reagan, represented freedom for Nicaraguans. He went as far as saying that the Contras were “the moral equal of our Founding Fathers.”³⁸

A primary reason President Ortega of Nicaragua wanted to hold elections was to meet his commitment to the people. He promised that as soon as “the conditions for national reconstruction might permit [elections]” the FSLN would create and institutionalize an authentic democracy in the framework of political pluralism and a mixed economy.³⁹ Ortega and his government were following through on a promise to the citizens of Nicaragua.

A delegation of fifteen professors from the Latin American Studies Association and a U.S. organization of over three thousand U.S. academic specialists on Latin America were observers during the 1984 elections. They reported favorably upon the November elections, concluding that they “observed no evidence of irregularities in the voting or vote-counting process.”⁴⁰ The FSLN won 67 percent of the vote, and the Reagan label of the election as a “Soviet-style sham” turned out to be false.⁴¹

World reaction to the U.S. trade embargo, beginning in May of 1985, was uniformly negative. U.S. allies including the United Kingdom, Germany, Spain, and Portugal, all openly opposed the embargo and promised continued trading relationships with Nicaragua. Countries such as Canada, Italy, France, the Netherlands, and Sweden extended new trade credits to help offset the effects of the embargo.⁴² Nicaragua largely succeeded in winning the moral “high ground” in the international community.

³⁸ Pach, 84.

³⁹ Robinson, 30.

⁴⁰ Burns, 36-37.

⁴¹ Robinson, 30-32.

⁴² Leogrande, 339.

Washington found itself isolated as its policies were being increasingly condemned. The “Nicaraguan issue” became a headache for U.S. representatives wherever they turned in the world.⁴³ The signing of the Arias Treaty in 1987 by Honduras and El Salvador, the closest Central American allies to the U.S., left the U.S. virtually alone in its support for the Contra war.⁴⁴ Even public support for Reagan’s policy was low. An opinion poll showed that only 27.3 percent of Americans agreed with Contra aid.⁴⁵ Reagan’s behavior toward Nicaragua, particularly in the glaring disregard for international law and world opinion, threatened to backfire and endanger broader U.S. interests, especially with foreign allies.⁴⁶ At the United Nations in 1985, the Security Council voted 11-1 (with 3 abstentions) for a resolution condemning the U.S. embargo. The U.S., however, used its veto. In General Assembly, a similar resolution was passed 84-4 (with 37 abstentions).⁴⁷

Directed by Oliver North, the Administration secretly sold arms to Iran to obtain additional funding for the Contras. The U.S. had a trade embargo with Iran at the time, but Iran needed weapons for its war with Iraq. From August of 1985 until October of 1986, the National Security Council secretly made six shipments of arms to Iran.⁴⁸ These sales of arms also became a bargaining opportunity for the release of American hostages in Lebanon. Reagan was not only within range of impeachment for the secret sale of U.S. weapons to Iran in exchange for hostages, which violated not only the Arms Export Control Act and the National Security Act, but also violated his own stated policy against

⁴³ Robinson, 35.

⁴⁴ Roberts, 82.

⁴⁵ Jentlson, 77.

⁴⁶ Robinson, 33.

⁴⁷ Leogrande, 339.

⁴⁸ Richard Sobel, “Contra Aid Fundamentals: Exploring the Intricacies and the Issues,” *Political Science Quarterly* 110, no. 2 (Summer 1995): 287.

dealing with terrorists.⁴⁹ North's illegal use of proceeds to finance the rebels in Nicaragua had violated Congress's constitutional authority over government appropriations, which were explicit in the Boland Amendments.⁵⁰ Nevertheless, Congress decided not to subject the American people to impeachment proceedings.

Following the Iran-Contra Affair, Reagan's influence over Nicaraguan policy gradually eroded, and the Democratic Congress supplanted him as the primary policy-maker for Nicaragua, determining policy through the legislative process and control of the treasury.⁵¹ The loss of GOP majority in the 100th Congress in 1986 helped accelerate Reagan's decline in influence over policymaking. After 1986, the pro-Contra coalition in Congress was reduced, which allowed opponents in Washington to narrowly defeat Reagan's requests for additional military assistance afterwards.⁵² He lamented in his personal diary of his struggles with Congress: "They support our Nicaragua peace proposals but won't go for Contra aid which is only way to get Sandinistas to talk peace."⁵³

When Reagan's congressional aid requests for the Contras are analyzed, it shows that Washington never fully supported his cause in Nicaragua, even when aid was granted. Only once, in 1985, was the Administration granted the full amount requested for aid. The President never got more than he had asked for, and in 1984 and 1988, Congress almost cut off all Contra aid.⁵⁴ Even when Arias' peace proposals stalled in the summer and fall of 1988, Reagan took the opportunity to ask for aid, but his requests fell on deaf

⁴⁹ Lawrence E. Walsh, *Firewall: The Iran-Contra Conspiracy and Cover-Up* (New York: W.W. Norton & Company, Inc., 1997), 3.

⁵⁰ Walsh, 13. The Boland Amendments were passed in 1982 and modified in 1984.

⁵¹ Scott, 258.

⁵² Philip Brenner, and William M. Leogrande, "The House Divided: Ideological Polarization over Aid to the Nicaraguan 'Contras'," *Legislative Studies Quarterly* 18, no. 1 (February 1993): 122.

⁵³ Reagan, "Reagan Diaries," 520-21.

⁵⁴ Jentleson, 78.

ears. A majority of the U.S. government was by then committed to the peace process with, or without Reagan's support.⁵⁵

Possibly even more influential than the loss of GOP control in Washington in 1986 were the successful diplomatic peace talks taking place outside of the U.S. The Administration itself judged that the success of the diplomatic process had significantly weakened the pro-Contra aid coalition, so Reagan therefore delayed request for additional military aid until 1988, his final full year in office.⁵⁶

The Iran-Contra Affair and the revelations of the CIA hurt not only Reagan's reputation and legacy, but it essentially ended the chances for him to convince Congress to support his Nicaragua policy. While Reagan was waging his war with the Sandinistas, he ignored important facts: the FSLN was willing to compromise and make concessions to the U.S. Furthermore, the FSLN was not oppressing its people. In fact, according to the Defense Department, as stated in a leaked NSC strategy paper: "Support for democratic resistance within Nicaragua [did] not exist" and they had known this fact as early as 1983.⁵⁷ The government enjoyed support of the people and held a legitimate election in 1984. Nicaragua was not a communist client state of the USSR, and had no desire to be.

Despite continued chronic guerrilla insurgency, the Contras achieved little military success, and were thus failing Reagan and his vision. The Sandinistas definitely had their vulnerabilities, but the Contras, CIA, and Reagan were not adept at targeting them.⁵⁸ By 1987-88, the possibility of a military solution to the war appeared increasingly unlikely, and the Nicaraguan government inflicted numerous military defeats on the Contra Army,

⁵⁵ Scott, 256, 258. Congress instead kept the Contras alive through minimal humanitarian aid.

⁵⁶ Brenner and Leogrande, 127.

⁵⁷ Holly Sklar, *Washington's War on Nicaragua* (Cambridge, Ma: South End Press, 1988), 145.

⁵⁸ Jentleson, 70.

forcing the bulk of rebel forces back to Honduras, where the Contras were largely based. Despite a brief rebel comeback, regional governments did not consider them to be a viable instrument for the disintegration of the Sandinista regime. In fact, the Contras never succeeded in capturing significant territory or population centers, nor were they successful in igniting any urban insurrectionary movements. Furthermore, military capability was hindered and undermined by internal political disarray within Contra leadership and the inconsistency of U.S. congressional support.⁵⁹ A major step towards democracy in Nicaragua only occurred after Congress halted the flow and transfer of arms completely to the “freedom fighters” in 1988.⁶⁰ The disintegration of congressional monetary aid was a failure of Reagan’s design for continuing the fight in the country. The Contras were simply an unreliable and ineffective military force.⁶¹

Due to his steadfast “bullying strategy” diplomacy and inept foreign policies toward the Sandinistas, Reagan ended up mishandling the situation altogether in Nicaragua.⁶² The Contra military campaign against the socialist army was unsuccessful. The citizens of Nicaragua still preferred their government under Sandinista leadership. The government held legitimate elections in 1984 and Ortega was steadfast in assuring that Nicaragua would not become a Soviet client state. Reagan achieved nominal support outside the White House with his policies once the GOP lost control of Congress, and over time, his power and influence declined as the effects of the war and the exposure of the Iran-Contra Affair came to light.

⁵⁹ Roberts, 94.

⁶⁰ Pach, 84.

⁶¹ Jentleson, 70.

⁶² Roberts, 72.

As we have seen, Reagan Doctrine saw limited success in several arenas, and downright failure in others. But despite the Reagan Doctrine's failures and miscues, Reagan and the Administration held on to the economic war, which was the only hope for success. Constant economic pressure throughout the 1980s proved to be very effective. Reagan's most valuable weapon against the Sandinistas was attacking the government economically through sanctions and embargo, pressuring banking institutions against working with Nicaragua, and using the Contras to attack the economic infrastructure of the country.

Although Reagan did not publicly authorize the attacks against non-military targets, it is apparent that the CIA orchestrated and participated in operations against domestic targets. Reagan wanted to delegitimize the government by defeating it militarily, but his campaign was ineffective. In fact, in mid-1985 it became clear to the State Department that the Contras would be incapable of overthrowing the government.⁶³ By the time he left office, economic sanctions were Reagan's only effective foreign policy tool with Nicaragua. It was essentially the nation's failing economy that pushed Ortega and the socialists out of power.

Reagan was much more assertive and aggressive with Nicaragua than his predecessor President Jimmy Carter, who initially accepted the Sandinista transition to power. Carter wanted to maintain a good relationship with the country. He was also less concerned with the USSR's involvement or role in Sandinista Nicaragua. Carter perceived the Soviets as principled opportunists rather than the essential source of

⁶³Burns, 60.

instability in the Third World.⁶⁴ He adopted a policy of “cautious acceptance” of the Sandinistas and granted foreign aid up to \$75 million to the country during the fiscal year of 1980.⁶⁵ However, when he discovered the Sandinista government was using some of its allocated funds to support El Salvadoran rebels (which was later one of Reagan’s rationales for intervening in Nicaragua), Carter immediately suspended aid. As he left office, an already tense relationship with the country opened the door for Ronald Reagan to consider further and more assertive action. In fact, the “Reaganites” electoral platform deplored the “Marxist Sandinista takeover Nicaragua,” and announced opposition to Carter’s aid program for the FSLN, or “assistance to any Marxist government in this hemisphere.”⁶⁶

Following his inauguration, Reagan decided to withhold aid and halted shipments of wheat to Nicaragua.⁶⁷ Loans that Carter had suspended, Reagan officially terminated.⁶⁸ This was not a surprise. In a radio address in March of 1979 before becoming president, Reagan believed the Nicaraguan rebels, who were trying to overthrow the Somoza Regime, were involved with communist nations.⁶⁹ In his first speech on the economy as President, just sixteen days into his term, Reagan spoke of his

⁶⁴ Martha L. Cottam, “The Carter Administration’s Policy toward Nicaragua: Images, Goals, and Tactics,” *Political Science Quarterly* 107, no. 1 (Spring 1992): 133.

⁶⁵ Leogrande, 330.

⁶⁶ Karl Bermann, *Under the Big Stick: Nicaragua and the United States Since 1848* (Boston: South End Press, 1986), 278.

⁶⁷ Burns, 30.

⁶⁸ Bermann, 278.

⁶⁹ Ronald Reagan, *Reagan in His Own Hand: The Writings of Ronald Reagan That Reveal His Revolutionary Vision For America*, ed. Kiron K. Skinner, Annelise Anderson, and Martin Anderson (New York: Simon & Schuster, Inc., 2001), 159. Reagan said: “...troubles in Nicaragua bear a Cuban label...there is no question that the rebels are Cuban trained, Cuban armed & dedicated to creating another communist country in this hemisphere.”

concerns in Nicaragua, saying that there was “Soviet-inspired trouble in the Caribbean...and leftist regimes have already taken over in Nicaragua.”⁷⁰

For a short period of time, Reagan continued minimal financial support to the Sandinistas, hoping diplomatic pressure and threats to cut off economic assistance would succeed. Even though Sandinista shipments to El Salvador stopped, Reagan eventually decided to cut off Nicaraguan aid permanently. Within weeks, however, the USSR began to provide wheat and economic assistance to Nicaragua, and additional countries, including Cuba, joined to help aid the country. Fidel Castro’s government provided \$64 million in technical aid in 1981.⁷¹ If Reagan’s “hard line” policy toward Nicaragua had not been taken, it is possible that socialist countries such as the USSR and Cuba would not have gotten financially involved in Nicaragua. Because of his aggression, Reagan forced the USSR and Cuba to supply considerable aid to Nicaragua.

There was no concrete evidence connecting Nicaragua with communist nations that extended past economic relationships and military monetary aide. Reagan and his hardliners were impatient in their actions towards the Sandinistas, and though it appeared tough diplomacy and the threat of aid was originally successful, it did not coincide with Reagan’s vision of a “free” Nicaragua. A free Nicaragua could only become a reality, in Reagan’s mind, if the Sandinistas were ousted. However, it may have been Reagan’s plan to push the USSR and Cuba into draining resources into Nicaragua. The weaker those nations became, the more likely those communist nations would eventually fall, as the USSR certainly did at the end of the decade.

⁷⁰ Reagan, “In His Own,” 485-6.

⁷¹ Leogrande, 331.

Beginning in 1981, the U.S. was moving towards a trade embargo against Nicaragua. In 1980, Nicaragua conducted 30.4 percent of its trade with the U.S. but by 1984, trade between the two nations had shrunk to 14.9 percent.⁷² By May 1985 a full embargo was in effect. It was internationally condemned by nations and its leaders who voted and called for the halting of the embargo. The U.S., however, utilized its veto powers and ignored outside protests, even from their staunchest of allies. The embargo was not lifted until the Sandinistas fell in 1990 when George H.W. Bush was President.

The financial aggression towards Nicaragua was substantial. Not only did the United States ruin the Nicaraguan economy through financing a rebellion within the country, but it also effectively constricted the country by controlling and manipulating national and foreign banking institutions from providing assistance. Due to U.S. pressure on multilateral institutions (World Bank, IMF, IDB etc.) and private banks, Nicaragua had no access to “soft” loans (low interest rates and long repayment periods) to invest in infrastructure.⁷³ Washington did whatever it could to keep money from flowing into Nicaragua. For example, the U.S. vetoed a \$2.2 million IDB loan to finish a rural road project that had begun in 1976 and was over 90 percent completed. This angered many representatives from other countries.⁷⁴ Secretary of State George P. Schulz warned the American Development Bank in 1985 that accepting a Nicaraguan agricultural credit loan request for \$58 million risked the loss of U.S. financial support.⁷⁵

Officials and Republican congressmen threatened banks from whom Nicaragua requested loans and they exercised veto power within the World Bank and Inter-

⁷² Ibid., 339.

⁷³ Fitzgerald, 199.

⁷⁴ Leogrande, 333.

⁷⁵ Burns, 30.

American Development Bank against aid to the country. They filibustered in discussions of Nicaraguan policy, and bullied, threatened, and intimidated those who supported the country. By 1984, Nicaragua stopped repaying foreign debt to the U.S. because it was getting nothing in return in terms of new funds.⁷⁶ International assistance was on steep decline, and the economy suffered tremendously. The U.S. government continued to pressure Western European nations to reduce foreign aid in Nicaragua, and to establish political conditions for any assistance.⁷⁷ International economic support was almost exclusively burdened by the USSR and Cuba. Soviet aid to Nicaragua was at its zenith in 1987, spending between \$750-800 million annually: \$300 million in economic aid, and between \$450-500 in military aid. Economic aid was especially important because it included almost all of Nicaragua's petroleum imports.⁷⁸ The efforts to isolate Nicaragua from international economic intercourse essentially drove the Sandinistas into dependence on Soviet, Cuban, and Eastern European aid for economic survival.⁷⁹

The Nicaraguan government instituted a "rear-guard" economy, meaning that money budgeted by the government went almost exclusively to the military instead of education, healthcare, and other essential social services.⁸⁰ The cost of the war was shouldered by the urban sector because the countryside was ravaged by the Contras, and the agrarian economy was all but halted by the rebellion. Farmers displaced by Contra attacks fled to the cities. The U.S.-financed war resulted in the collapse of the forestry,

⁷⁶ Fitzgerald, 200.

⁷⁷ Roberts, 93.

⁷⁸ Don Oberdorfer, *The Turn: From the Cold War to a new Era*, New York: Poseidon Press, 1991, pp 340-341; Julia Preston, 'Soviets raise profile—but not aid—in Managua', *Washington Post*, 9 November 1989.

⁷⁹ Robinson, 36.

⁸⁰ Fitzgerald, 207.

fishing, and mining sectors and decimated agrarian industries, especially the coffee industry.⁸¹

U.S. Special Forces corroborate that the focus of Contra attacks was principally economic targets such as oil fields and local farms. CIA director William Casey wanted to “make the bastards sweat.”⁸² The goal of the CIA and Contra forces was to attack vital economic installations, the mission being to “sabotage ports, refineries, boats and bridges...and especially difficult sabotage operations were carried out by U.S. Navy Seals.”⁸³ The U.S. played an important part in these sabotage campaigns, but made every effort to cover its tracks by pinning these actions on the Contras, keeping connections with the U.S. out of the conversation as much as possible.⁸⁴ The CIA supposedly does not act on its own. It takes orders from the executive branch of government and does not make policy autonomously. Did Reagan know what the CIA was doing? Possibly. However there is no concrete proof that he did.

The mining of port cities outraged world opinion, and further condemnation of the Reagan activities in Nicaragua ensued. In fact, it angered U.S. policy makers as well. For example, Republican Senator, Barry Goldwater, typically supportive of Reagan, was quoted saying on March 5, 1985: “This is no way to run a railroad. I am pissed off!”⁸⁵ Reagan was frustrated with the revelation of the harbor mining as well as Goldwater’s public outcry. Reagan wrote in his diary: “He [Goldwater] is raising hell...because of the harbor mining... [He] says he was never briefed. He was briefed on March 8 & 13. There

⁸¹ Ibid., 204.

⁸² Leogrande, 340.

⁸³ Ibid., 340.

⁸⁴ Burns, 54-56.

⁸⁵ Ibid., 56.

is a rebellion which will lead to their shutting aid off to the Nicaraguan Contras.”⁸⁶

Oftentimes Contra leadership had no role to play in these actions. Contra leader Edgar Chamorro said this: “Of course, we played no role in the mining of the harbors. This was not unusual. The CIA often gave us credit (or perhaps blame) for operations that we knew nothing about.”⁸⁷

The Contra forces were successful in one thing: they damaged the economy and standard of living in Nicaragua by attacking the social and economic infrastructure of the country. The Contras continued their fight against domestic targets. For example, in 1985 alone, 55 health centers, three children’s nutritional centers, two electrical plants, and 44 schools (not including 502 that were damaged) were destroyed.⁸⁸ By the beginning of 1986, war casualties on both sides amounted 31,290 and there were 120,324 people displaced. From 1980 to 1987, Nicaragua claimed nearly \$1.5 billion in war-induced damages to infrastructure and production.⁸⁹ An entire generation of Nicaraguan youth was damaged beyond repair because their education was halted and men were drafted to fight. War led to the scarcity of labor, a decline in production, the breakdown of local trade, a decline of 50 percent in real wages, and a huge urban migration from the countryside to the major industrial cities.⁹⁰

In 1987 inflation exceeded 1,000 percent and per capita foreign debt was the highest in Latin America: growing to \$7 billion from \$1.5 billion when the FSLN took power.⁹¹ The Nicaraguan government claimed that unemployment by 1988 had surged

⁸⁶ Reagan, “Reagan Diaries,” 231.

⁸⁷ Burns, 56.

⁸⁸ Ibid., 62.

⁸⁹ Roberts, 92.

⁹⁰ Fitzgerald, 206.

⁹¹ Linda Robinson, “Peace in Central America?,” *Foreign Affairs* 66, no. 3 (January 1988): 599.

over 25 percent and from 1980 through 1987, there had been nearly \$1.15 billion in war-induced damages to infrastructure and production in Nicaragua.⁹² By 1988, Nicaragua was in a severe recession and the economy contracted by 15 percent and inflation was on the steady increase.⁹³ In fact, that year hyper-inflation of 33,000 percent had set in. This forced the government to curtail its revolutionary social programs and adopt a series of severe austerity measures to address the fiscal and balance-of-payments crises.⁹⁴

The blocking of bilateral and multilateral assistance was constructed by the U.S. government in the attempt to provoke domestic dissent and an eventual overthrow of the Sandinista regime. The Administration hoped to coerce the people of Nicaragua to call for a change in government leadership, understanding that continued U.S. pressure would weaken the Nicaraguan economy and the standard of living of its citizens. U.S. officials and the President, according to a British Foreign Office official, used “typical of bully-boy tactics which the present U.S. Administration is apt to adopt –towards allies as well as adversaries” with their actions in Nicaragua, especially with economic sanctions.⁹⁵

U.S. pressure and sanctions strapped Nicaragua, and it was nearly impossible for the country to develop a sustainable economy. President Reagan may have failed to overthrow the government through a military means, but his “freedom fighter” Contras successfully facilitated an economic collapse of Nicaragua.⁹⁶ The combination of Contra attacks on domestic targets and the U.S.-based sanctions and embargo were too much for

⁹² Roberts, 92.

⁹³ Leogrande, 343.

⁹⁴ Roberts, 92.

⁹⁵ Leogrande, 335. The UK had their own problems, however, in Latin America as well. In 1982 the country fought a war with Argentina over the disputed Malvinas/Falkland Islands. Their involvement in Latin America can be questioned as well.

⁹⁶ Reagan referred to the Contras as “freedom fighters” frequently, trying to portray the rebels as fighters of freedom, democracy, and equality. He commonly referred to the Contras as such in his diary entries as well. (Reagan, “Reagan Diaries,” 569-70).

the people of Nicaragua to handle. A majority of scholarly opinion holds that economic sanctions are an ineffective foreign policy tool. Unlike other attempts of the U.S. to destabilize governments around the world, however, economic sanctions in Latin America have been more successful.⁹⁷ A primary case in point is that of Nicaragua.

Nicaragua was not the only focus of Reagan Doctrine in the world. Similar policies formed the Administration's global strategy. While the Administration had its hands tied in Nicaragua, it sponsored and participated in similar actions in Afghanistan, Libya, and Lebanon among other nations.⁹⁸ Reagan was supporting insurgencies all over the globe to harass the USSR, forcing the communists to spend millions and millions of dollars in economic aid to socialist allies. For example, by the mid 1980s, annual appropriations for covert support of the Mujahedeen in Afghanistan in its war against the Soviets reached \$650 million. The costs incurred by the USSR contributed to their eventual defeat. The Administration moderately supported the UNITA (National Union for the Total Liberation of Angola) rebels who were fighting the Cubans and Angolan government troops in Angola, and provided aid to the non-communist resistance against the Soviet-influenced People's Republic of Kampuchea in Cambodia.⁹⁹ Historians agree that Reagan found the most success in Afghanistan, as the Mujahedeen were eventually successful in pushing the USSR out of the country. Their long, bitter war devastated and drained Soviet resources.

⁹⁷ Leogrande, 329.

⁹⁸ A valuable source that analyzes Reagan Doctrine action in multiple global arenas is: Bruce W. Jentleson, "The Reagan Administration and Coercive Diplomacy: Restraining More Than Remaking Governments," *Political Science Quarterly* 106, no. 1 (Spring 1991): 57-82 and Chester Pach, "The Reagan Doctrine: Principle, Pragmatism, and Policy," *Presidential Studies Quarterly* 36.1 (2006).

⁹⁹ Pach, 82, 85-86.

When Reagan left office after his second term as President in January of 1989, the Sandinistas and President Ortega were still in power. A majority of Contra guerrilla forces had retreated back to Honduran base camps, and the Sandinistas were on the diplomatic offensive to “achieve a regional accord for their definitive demobilization.”¹⁰⁰ In February 25, 1990, when Ortega was defeated in the elections, President George H.W. Bush would be the Commander-in-Chief. However, it was not Reagan or Bush who ultimately negotiated peace between Nicaragua and the Contras or orchestrated the victory of Violeta Chamorro. The peace initiative sponsored by Costa Rican President Oscar Arias led to a ceasefire in 1988.¹⁰¹ It was primarily the efforts of Arias and the Democrats in Congress who mediated the political transition and organization of free elections.¹⁰² Reagan had the opportunity to join Arias in support for the peace plan, but rejected the offer. He wrote in his diary a year before the peace accords in June of 1987, saying: “[Arias] has a peace proposal he wants to make on behalf of his Central American neighbors & to us to the Sandinistas. We’re in favor of his idea...but his plan has some loop holes the Sandinistas could take advantage of.”¹⁰³ Reagan was clearly frustrated that he was no longer involved in the peace process. Plans that he had were scrapped and he was accused of impeding the process of peace. In his diary he wrote in response: “Speaker Wright has deserted his & our agreement on how to make peace in Nicaragua & charges us with being guilty of breaking up the peace efforts. Lies. Lies. Lies.”¹⁰⁴

¹⁰⁰ Roberts, 69.

¹⁰¹ Pach, 84.

¹⁰² Alejandro Bendaña, "The Rise and Fall of the FSLN," *NACLA Report on the Americas* 37, no. 6 (May 2004): 24. Arias was later rewarded with the Nobel Peace Prize for his ability to organize, pressure other leaders to cooperate, and work tirelessly to bring peace to Nicaragua.

¹⁰³ Reagan, "Reagan Diaries," 509.

¹⁰⁴ *Ibid.*, 536.

Reagan Doctrine foreign policy in Nicaragua was complex and measuring its success or lack thereof is difficult to do. It failed in many ways: military action was unsuccessful and diplomatic pressure by the Administration and the lack of positive world opinion did not help Reagan and his policies. Economic sanctions, the trade embargo, and Contra attacks on domestic targets, did, however, lead to eventual government change in Nicaragua. Also, at the same time, military action and economic constraints caused the USSR and Cuba to squander precious resources on Nicaragua, which may have been Reagan's plan all along.

The Contra war was problematic from the beginning. They rarely saw success on the battlefield, and the people of Nicaragua rejected the campaign and battle cries against the government. Partially due to the financial support of the Soviet Union, the FSLN and the national military were never legitimately threatened by the rebel forces. The loss of life due to this useless war was tragic. More than 30,000 Nicaraguans, comprised of combatants and citizens, were killed needlessly. In addition, by 1988 there were well over 100,000 refugees. These statistics alone justify condemning the Reagan Doctrine as disastrous and devastating to Nicaraguans. Reagan failed to get any significant domestic or international support for his actions in Nicaragua and was criticized and condemned in the international political arena. The Administration argued that Nicaragua was working closely with Cuba and the USSR, and that the presence of a communist nation on the North American continent was a grave danger to the national security of the U.S.¹⁰⁵ The FSLN instead desired nothing more than to improve the conditions in their country. There

¹⁰⁵ Reagan believed from the beginning of his first term until the end of his second term, that the USSR had a plan to get involved in Nicaragua, in a way that would undermine the U.S. and threaten their national security. In his first State of the Union address on March 13, 1980, Reagan told the world: "Must we let Grenada, Nicaragua, and El Salvador all become additional "Cubas," eventual outposts for Soviet combat brigades?" (Reagan, "In His Own", 477).

is no evidence that Ortega desired to conspire against the U.S. Reagan, therefore, had no need to spend time supporting and facilitating the rebellion effort in Nicaragua. The USSR and Cuba began to aid Nicaragua only after Reagan had begun to choke out the economy, leaving Ortega no choice but to look elsewhere for help.

The unrelenting U.S. destabilization campaign and devastating economic sanctions and embargo imposed by Reagan embittered most of the Nicaraguan population against the Sandinistas. They were not unhappy with the government itself, but with how the government had mismanaged the economy. Also, the declined standard of living occurred because fending off the Contras was consuming 60 percent of the national budget. Due to the U.S. economic stranglehold, the people were looking for a change.¹⁰⁶ The FSLN was forced to choose between implementing a form of wartime communism or negotiating a way out. Believing they could win the elections, finally defeat the Contras, and stabilize the economy, they chose to allow elections.¹⁰⁷ International observers saw the Sandinistas defeated in one of the most closely scrutinized elections in world history.¹⁰⁸ The people of Nicaragua decided that they had had enough of the Sandinistas in power, and were unwilling to allow the government to keep fighting while the country continued to suffer. The vote in 1990 was not pro-Contra, but it was pro-change.¹⁰⁹

The case study of Reagan foreign policy in Nicaragua is complicated, perplexing, and compelling. The superpower nation meddled in a Third World country the size of North Carolina and was struggling to achieve its goals. Despite the U.S. being vastly

¹⁰⁶ Jentleson, 67.

¹⁰⁷ Bendaña, 24.

¹⁰⁸ Robinson, 103.

¹⁰⁹ Jentleson, 67.

superior, it took a decade to get the socialist government out of power. The events sparked international attention to the U.S. exploitation and manipulation in Latin America, and even inspired groups like U2 and their famous rock anthem, “Bullet the Blue Sky” in the entertainment industry to bring attention to the issues.¹¹⁰

The funding and support of the Contras was unsuccessful. The movers and shakers who negotiated peace and organized free elections did not reside in the White House. What facilitated the collapse of the FSLN? Essentially, it was the U.S. economic sanctions and trade embargo. Reagan’s legacy in Latin and Central America is tarnished at best. His foreign policy was disastrous. The Administration was exposed for corruption with the revelations of the Iran-Contra Affair and the CIA involvement in terrorist-like acts in Nicaragua. Reagan’s power and influence diminished rapidly as his second term came to a conclusion. Like many historians have said, Reagan’s claim to credit for Nicaraguan political change is at best “limited,” for it was weakened by the costs it incurred and the opportunities foregone.¹¹¹

Nicaragua was but one piece to Reagan’s global foreign policy strategy. It is important to note, that while the Reagan Administration was intervening in Nicaragua, it also manipulated events elsewhere in the world. Nicaragua was not the only victim to Reagan’s aggressive policies. Countries such as Afghanistan, Cambodia, and Angola were infiltrated by U.S.-sponsored military insurgencies and suffered from U.S. economic policies. Though it can be argued that Reagan’s intervention in the Third World was essential in bringing down the USSR two years later, many people suffered

¹¹⁰ Bill Flanagan, *U2: At the End of the World* (New York: Dell Publishing, 1995), 51-52.

¹¹¹ Jentleson, 68.

the consequences of Reagan Doctrine. Nicaragua is an important case study of how effective and ineffective Reagan's policies were in the Third World.

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