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Nicaragua: Sandinista Foreign Policy



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An Intelligence Assessment

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November 1985*

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Nicaragua: Sandinista Foreign Policy

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An Intelligence Assessment

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Comments and queries are welcome and may be
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**Nicaragua:
Sandinista Foreign Policy** []

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Key Judgments

*Information available
as of 1 November 1985
was used in this report.*

Since their triumph in 1979, the Sandinistas have asserted their commitment to pluralism and nonalignment as a ploy to obtain vital economic aid and political support from Western Europe and Latin America, while consolidating a Marxist-Leninist regime at home and building a strong alliance with Cuba and the Soviet Bloc. The supremacy of the latter goal is reflected in the dominance within the foreign policymaking apparatus of the international affairs component of the party—the Sandinista National Liberation Front (FSLN)—over the Foreign Ministry. To ensure its control over all aspects of foreign relations, the Sandinista National Directorate recently began to place party loyalists in key positions within the Foreign Ministry and to emphasize ideological “purity” in appointments within the party organization and abroad. []

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Although their appeal to the West was initially successful, since 1983 many benefactors have become increasingly disillusioned by the Sandinistas’ failure to live up to their promises, resulting in a decline in Western assistance and active political support. Managua has tried to halt this trend by manipulating residual sympathy for the revolution, portraying itself as the victim of “imperialist aggression,” and using propaganda and solidarity groups to influence Western governments. In Western Europe, the Sandinistas have capitalized on and manipulated disagreements with US support to the anti-Sandinista forces—equating any pressure on Managua with backing for Washington’s programs. Nicaragua has played on traditional anti-US and nonintervention themes in Latin America, as well as using the local left, to prevent governments from adopting anti-Sandinista policies. Nonetheless, the regime’s relations with Western Europe and Latin America continue to falter—with many countries poised between passive support and neutrality—and probably will erode further over the next year or so. []

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The Sandinistas’ military buildup, cross-border shelling and incursions into Honduras and Costa Rica, and support for regional revolutionaries have caused Nicaragua’s relations with its Central American neighbors to deteriorate sharply. The regime’s long-term goals of spreading the revolution and anti-US sentiment have been supplemented since 1982 by its efforts to deny support to the anti-Sandinista insurgents and undercut backing for US policies in the region. In so doing, the Sandinistas have made repeated efforts to engage the other Central American governments in bilateral talks. Although largely unsuccessful in such initiatives, Managua has forestalled thus far the formation of an effective united Central American front against it. Moreover, the regime has scored propaganda

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gains by emphasizing its willingness to engage in a dialogue and participate in the Contadora regional peace negotiations. The Sandinistas are likely to maintain pressure on their neighbors to reach bilateral accommodations and—if threatened by a more coordinated and hard-hitting Central American strategy—probably will intensify their destabilizing activities.

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As Western disillusionment has deepened, Nicaragua has looked increasingly to the Soviets and their allies for vital economic aid as well as military and political support. The Cuban connection is crucial, with Havana serving as a revolutionary model, a source of assistance, a conduit for ties to other nations, and a senior partner in exporting the revolution. In addition, the Cubans have provided Managua with a model for its foreign policy apparatus as well as advice in its pursuit of international sympathy and legitimacy. For their part, the Soviets have replaced the United States as Nicaragua's patron, providing a growing amount of vital economic and military assistance, as well as political guidance. The East Europeans furnish similar support—with security and ideological interests predominating—and non-Bloc radicals cooperate with Managua in joint efforts to promote the thwarting of US interests and provide mutual support. Although these relationships are not without difficulties—such as Cuban paternalism and Soviet caution in dealing with the Nicaraguans—we believe they are likely to become even closer over the next year or so.

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In our judgment, the Sandinistas' increasing attention to their ultimate goal of consolidating domestic power has reduced their maneuvering room in relations with the West and increased the importance of their ties to the Communist states. Nevertheless, regime leaders still view the West as a vital source of international legitimacy and opposition to US policies. The Sandinistas probably will be forced to devote considerable energies to minimizing the negative fallout from their domestic policies and growing ties to the Soviet Bloc as they seek to maintain economic and diplomatic support in the West. Managua almost certainly will continue to use international organizations as propaganda forums, increase pressure on West European governments through solidarity groups, and play on traditional anti-US sentiment in Latin America. This strategy may yield some additional successes and deflect potential sources of pressure. The increasingly evident nature of the regime and its steady movement into the Soviet orbit, however, are likely to make most West European and Latin American states less and less enthusiastic about providing active support and additional assistance.

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Figure 1



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Boundary representation is not necessarily authoritative.

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**Nicaragua:
Sandinista Foreign Policy** [Redacted]

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Introduction

Just before seizing power in July 1979, representatives of the Sandinista National Liberation Front pledged to the Organization of American States (OAS) their intention to pursue nonalignment, political pluralism, and a mixed economy as guiding principles of the revolution. The Sandinistas did so to win the backing of the OAS and, by association, that of the Western democracies, marshaling such support to defeat the Somoza dictatorship. Needing Western assistance to rebuild Nicaragua's economy and establish de facto legitimacy, the regime has continued to use the argot of nonalignment and pluralism in its foreign policy pronouncements. Nevertheless, in the last six years, the Sandinistas' actions have made clear that their real goal is the implementation of Marxist revolution at home and in the region with the assistance of the Soviet Bloc and Cuba.¹ The chief challenge of Sandinista diplomacy, therefore, has been to keep relations with the West—minus the United States—from unraveling completely as Managua cooperates more and more closely with the East.

[Redacted]

This paper analyzes the nature of and motivation behind Nicaragua's relations with Western Europe and Latin America, on the one hand, and the Communist Bloc—Cuba, the Soviet Union, and the Warsaw Pact countries of Eastern Europe—on the other. It discusses the various mechanisms, such as international organizations and solidarity groups, that the Sandinistas use to further their foreign policy interests. Finally, it assesses the effectiveness of Nicaragua's foreign policy, the prospects for changes in its direction, and the implications for the United States.

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Addressing Two Agendas

The Sandinistas' present foreign relations strategy parallels the one they used to depose the Somoza regime—using moderates to achieve radical ends. Before 1979, the Sandinista National Liberation Front (FSLN) nurtured an alliance with liberal businessmen and social democrats, both domestic and foreign, to isolate Somoza, rally active support against him, and finally to oust him. Nevertheless, the personal histories and writings of most of the Sandinista leadership already indicated their Marxist-Leninist bent. Similarly, since the formation of the regime, Managua has attempted to cultivate Western ties to help rebuild the economy, to establish and solidify its international legitimacy, and to block international support for US "aggression." Simultaneously, growing ties to the Communist states have demonstrated the revolution's true ideological course.

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Moving to consolidate a totalitarian state, the Sandinistas have thus pursued ties to both the West and the Soviet Bloc. To win Western economic and diplomatic support, the regime has tried to project an image of political moderation and adherence to democratic forms. At the same time, Managua turned to Cuba, the USSR, and their allies for military equipment and instruction in the political indoctrination and control of the population. Underscoring the deliberate nature of these competing agendas, then Sandinista Political Coordinator Bayardo Arce—in a secret speech that later appeared in the press—told the Nicaraguan Socialist Party in May 1984 that the regime has found it useful to highlight a mixed economy and the then upcoming elections to the international community while strengthening ties to the Soviet Bloc and consolidating power at home.

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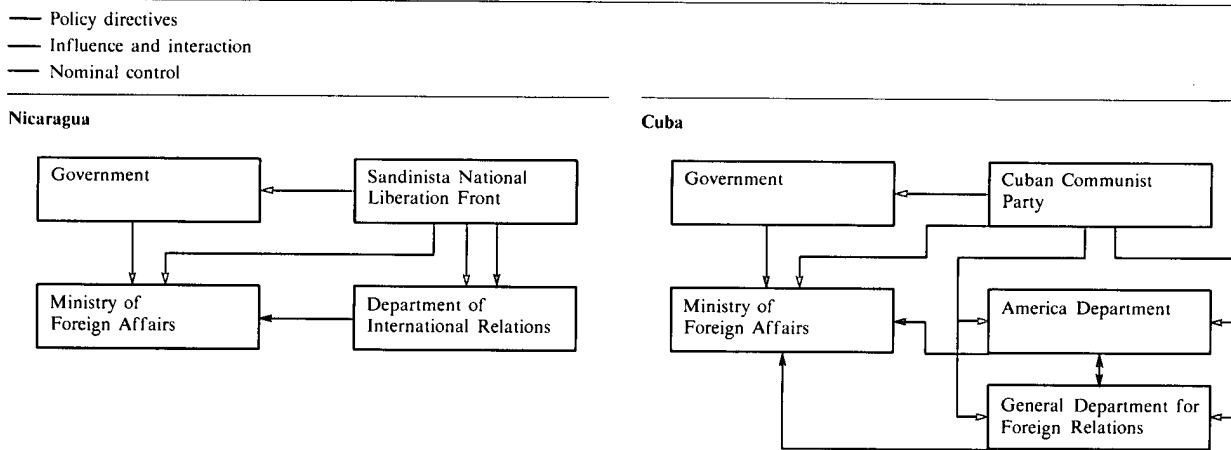
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Figure 2
Comparison of Nicaraguan and Cuban Foreign Policy Apparatus



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As Western nations have become more skeptical of Sandinista claims of pluralism and democracy, the burden of ensuring the regime's economic survival increasingly has fallen to Moscow and its allies. Nonetheless, Managua continues to manipulate residual Western sympathies for the revolution and publicly to refute identification with the Soviet Bloc—claiming ties to the Communists only serve to balance relations with the West—even while adhering faithfully to the Soviet foreign policy line. In Latin America, the Sandinistas cultivate support by appealing to regional solidarity, but, [Redacted] covertly assist radical leftists to plant the seeds for future revolutions [Redacted]

with carrying out official relations and representational functions, while the FSLN's Department of International Relations (DRI) is responsible for protecting party interests in formulating foreign policy. [Redacted]

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Competing Policy Mechanisms

Competition among its different components characterizes Nicaragua's foreign policymaking apparatus, which is modeled on the Cuban system. The government's Ministry of Foreign Affairs (MFA) is charged

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Cuba: A Model for Foreign Policy

The Sandinistas look to their Cuban mentors for assistance in many fields, including foreign policy: The similarities between the two regimes are striking, although Managua has not yet institutionalized the foreign policymaking process to the same extent as has Havana. [redacted]

Goals. *Cuba and Nicaragua share common objectives in their international relations, namely, ensuring their survival, undercutting US influence worldwide, and promoting revolution through subversion. With the benefit of hindsight, Havana has counseled Managua to follow a path of moderation in pursuing these goals.* [redacted]

[redacted] *Castro advised the Sandinistas early on to do all they could to obtain and sustain Western economic aid.* [redacted]

Structure. *The division in Nicaragua's foreign policy-making apparatus between party organization—the International Relations Department (DRI)—and a government entity—the Ministry of Foreign Affairs (MFA)—mimics Cuba's structure. The Cuban Communist Party has two departments specifically responsible for international affairs, which are reflected in the DRI's overt and covert functions. Although the Nicaraguans run a poor second compared with Cuba's extensive global propaganda mechanism, they have managed to build an effective organization devoted to this task.* [redacted]

Advice. *Havana has been active in developing specific policy guidelines for Managua; we believe that most of the guidance is given at a fairly high level.* [redacted]

[redacted] *Castro and Manuel Pineiro, Chief of Cuba's America Department, have broad influence with the Sandinistas. In addition,* [redacted]

[redacted] *Cuban Vice Foreign Minister Alarcon plays the most direct role in managing Cuban participation in Nicaraguan political affairs, including foreign policy issues.* [redacted]

[redacted]

[redacted] *Frequent trips by Sandinista National Directorate members, especially Daniel Ortega, to Havana to consult with the Castro regime provide further evidence of the high-level contacts.* [redacted]

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Nicaraguan-Cuban collaboration on the Contadora process provides the best example of Cuba's key advisory role. [redacted]

[redacted] *Cuba advised Nicaragua in mid-1983 to give the impression of agreeing with the Contadora negotiations simply as a device to gain time for the strengthening of Nicaragua's defenses.* [redacted]

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[redacted] *Cuban interest and involvement in the process has remained high. Daniel Ortega's visit to Cuba last April probably was devoted in part to discussing Contadora, as was his trip in June.* [redacted]

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Style. *Sources of the US mission to the UN have reported on the similar strategies and style employed by the Cuban and Nicaraguan delegations to meetings of the Nonaligned Movement (NAM). The Sandinistas also have adopted Castro's method of employing public relations campaigns to demonstrate reasonableness and a willingness to negotiate with the United States. For example, Daniel Ortega's peace initiative in late February 1985 and the well-publicized departure of 100 Cuban advisers from Nicaragua on 2 May were closely coordinated with the Castro regime,* [redacted]

[redacted] *Moreover, Nicaragua's recent backing of Castro's call for a Latin American debtors' cartel and its successful bid to join the Latin American Parliament appear clearly orchestrated with Cuba. Just like the Cubans, the Sandinistas have sponsored a number of international conferences in Managua to attract world attention and bestow additional legitimacy on the regime.* [redacted]

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Not unexpectedly, however, some friction exists between the two organizations and appears to stem from the party's primacy in foreign policy decisionmaking.

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Although the functions of the MFA and DRI were delineated officially at that time, [Redacted]

[Redacted] important roles also are played by two members of Interior Minister Tomas Borge's more aggressively hardline faction within the Directorate. Sandinista party administrator Arce and Minister for Foreign Cooperation Henry Ruiz are frequent regime emissaries to Western Europe and the Soviet Bloc, respectively, probably affording them

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[Redacted] the party mechanism retained considerable foreign policy influence, including responsibility for relations with Cuba, the Soviet Union, and Eastern Europe. Moreover, the Sandinista National Directorate—the nine Comandantes—has the final say on sensitive policy matters, [Redacted]

[Redacted]

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A directorate-level Commission of Foreign Policy meets on a regular basis to consider routine issues based on recommendations from the MFA and DRI, but its composition suggests that party interests dominate. [Redacted] the

The Sandinistas apparently are seeking to reduce the friction within the foreign policy apparatus by bringing the MFA into closer touch with the party's ideological concerns. [Redacted]

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Commission consists of President Daniel Ortega, Arce, DRI Director Julio Lopez, D'Escoto, and Vice Foreign Minister Victor Tinoco—all except D'Escoto are members of the inner circle of the FSLN. Indeed, [Redacted]

[Redacted] one of the party's goals for 1985 has been to move skilled members into all key political and administrative positions in the MFA. This probably is seen as necessary because initial appointees to the Ministry were young and inexperienced guerrillas or revolutionary sympathizers, but not necessarily members of the FSLN. In fact, press reports indicate some 16 MFA officials "resigned" last summer. A DRI official told the US Embassy last December that the government wanted to replace many old diplomats with people who had gained experience abroad and were more committed. In addition, the DRI has been shuffled, [Redacted]

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[Redacted] D'Escoto wields little real power and is primarily useful as an image builder for the regime. The Foreign Minister's hunger strike in July 1985—publicly attributed to his concern over US policy toward Nicaragua—prompted rumors of his imminent departure, and we speculate that it may have been an attempt to draw attention to his own role. [Redacted]

[Redacted] in an apparent move to reinvigorate the revolutionary grounding of this party component. Indeed, the regime's considerable use of personal diplomacy—that is, frequent trips abroad by high-ranking Sandinistas—reflects the leadership's desire to make sure that the revolution is represented effectively and faithfully. The drive to bring the MFA into ideological line also may portend the eventual replacement of D'Escoto. We believe that Tinoco, an adept revolutionary politician, would be the most likely candidate to fill his position, but any of the three vice foreign ministers are logical choices, given their strong ideological credentials. [Redacted]

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President Ortega appears to wield the most influence in directing Nicaragua's foreign affairs, although the other Directorate members do play influential roles. We believe that the regime's foreign policy strategy is an outgrowth of the Sandinistas' method of gaining domestic and international support during their fight against Somoza—that is, cultivating moderate backing while pursuing Marxist-Leninist goals covertly—which was promoted by the Ortega faction of the FSLN. [Redacted]

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Playing the West

Nicaragua's relations with the West have deteriorated over the last few years, reflecting Western preoccupation with the regime's growing totalitarian cast and closer ties to the Soviet Bloc. The Sandinistas' initial pledges to maintain political pluralism, a mixed economy, and nonalignment in their foreign affairs proved successful, in our judgment, as long as the intended audience was willing to give the regime the benefit of the doubt. As Managua's domestic actions increasingly failed to meet its public commitments, however, many Western leaders became disillusioned. Such disappointment was reflected, for example, in 1982 when Venezuela suspended oil sales and in 1983 when West Germany froze its substantial aid package. In response, Managua has become more aggressive in trying to maintain the backing it still has. Moreover, opposition in Western Europe and Latin America to some US policies in Central America still provides Nicaragua with an issue from which it can draw support. [redacted]

Western Europe

On coming to power, the Sandinistas—counseled by the Cubans and Soviets—saw Western economic aid as a necessity [redacted]

[redacted] Through 1982 they almost effortlessly reaped the benefits of the good will extended to them, especially by West European social democrats, and stressed the themes of reconstruction and moderation in soliciting assistance. Even as Managua's democratic facade was tarnished by the jailing of private-sector leaders and its persecution of the Miskito Indians in 1981, aid levels from Western Europe continued to increase. [redacted]

[redacted]

the Sandinistas played on Western fears that the regime might be drawn too readily into the Soviet orbit by exploiting the Europeans' belief that political support and economic aid could be used as leverage to force moderation on Managua. For example:

[redacted]

[redacted]

- The US Embassy reports that President Ortega told a Finnish newspaper that the multilateral support Nicaragua had received during his trip through Western Europe last May would guarantee that the Sandinistas would be able to keep their promise of maintaining a mixed economy.
- During the same trip, Nicaraguan sources told the press that, if Nicaragua were left isolated, it would turn to those countries willing to help—such as the Soviet Union. [redacted]

In spite of such Sandinista manipulation of European sympathy for the regime, their domestic actions prompted growing Western disenchantment and forced a reorientation of their foreign tactics. The imposition of the state of emergency in 1982, as well as the Sandinistas' belligerent behavior during the Pope's visit in 1983, increased European skepticism about Nicaragua's adherence to democratic principles. In addition to private admonitions from Western leaders, Managua saw OECD aid drop by \$9 million from 1983 to 1984. Responding to this downturn in relations—as well as to the growing threat of the anti-Sandinista insurgency—the regime tried to refocus West European attention on the “aggression” Nicaragua suffered at the hands of the United States. For example, Vice President Ramirez countered Austrian criticism of the regime's human rights record last spring by contending that the “abnormal situation” imposed by the United States “created conditions under which individual excesses were more likely to occur,” according to the US Embassy. Managua also used its seat on the UN Security Council in 1983 and 1984 to draw attention to US activities in the region and cast itself as the besieged party. More recently, the regime justified its expansion of the state of emergency measures—suspending additional civil rights—as a consequence of stepped-up US aggression against Nicaragua in the form of renewed aid to the insurgents. [redacted]

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West European disagreements with US policies in Central America have provided fertile ground for Nicaraguan maneuvering, and the Sandinistas have turned such attitudes to their advantage by equating any pressure on the regime by West Europeans with support for US policy. Daniel Ortega, for example, capitalized on negative Western reactions to the imposition of US economic sanctions in 1985 to obtain assurances of political support, although appeals for increased economic aid generally failed. Indeed, Italian officials did not press the regime for internal reforms and made an effort to avoid appearing to support the sanctions, [redacted]. In a less successful gambit—but perhaps intended as an implicit threat to image-conscious West European leaders—Ortega accused the Kohl administration of giving in to US blackmail when West Germany froze aid to Nicaragua in late 1983. [redacted]

On balance, Sandinista foreign policy toward Western Europe has had mixed results. Managua has failed to stem growing disillusionment with the regime's policies—no West European leaders attended President Ortega's inauguration last January. Moreover, a number of former Sandinista supporters, [redacted] [redacted] have acknowledged the Sandinistas' Marxist-Leninist bent and have met with anti-Sandinista leaders such as Eden Pastora. [redacted]

Nevertheless, West European attitudes toward some US policies and skillful Nicaraguan maneuvering have prevented the disappointment from becoming translated into concerted pressure on and active opposition to Managua. Relations currently appear to be settled on a shaky plateau. Aid levels have dropped further—to about \$80 million in 1984, in part due to large Nicaraguan debt arrearages—although Nicaragua is still the third-largest recipient of French aid in Latin America. Similarly, West European political attitudes have become increasingly noncommittal. Most states tacitly accepted the Nicaraguan elections in November 1984 as legitimate, although a number of leaders, such as Gonzalez of Spain, viewed them as disappointing, according to US Embassy reporting. [redacted]

Nicaraguan relations with Spain over the years illustrate the trend in Managua's ties to the rest of Western Europe. Prime Minister Gonzalez's initial wholehearted support for the Sandinistas afforded Managua substantial political backing and economic assistance. By 1983, however, during a visit to Spain, D'Escoto encountered some pressure for political moderation, according to the US Embassy. He countered with the argument that Nicaragua, an aggrieved nation, had a "right" to international solidarity. [redacted]

Despite rising Spanish disillusionment, the Sandinistas continue to play on residual sympathies and portray Spain as a staunch ally. The hesitancy of the Gonzalez government to apply significant pressure—beyond some private remonstrations—was demonstrated last spring when Madrid was quick to note that its suspension of export credits was economically and not politically motivated. Moreover, Gonzalez limited his reaction to the Sandinistas' recent imposition of expanded emergency measures to an expression of mild concern, adding that US policies had given hardliners in Nicaragua sway, according to the US Embassy. [redacted]

The Sandinistas have placed particular importance on the Socialist International (SI) in their bid for Western support, largely because backing from the organization has the effect of bestowing legitimacy on Third World parties. We believe Managua views the SI as a barometer of its ability to play to the West, and have reasoned that failure to gain support from the SI—whose ideology is clearly to the left of center within the democratic political spectrum—would make moot their chances for cultivating the more conservative forces in Western Europe and Latin America. [redacted]

Managua has aggressively pursued SI approbation and consistently sends high-powered delegations to SI meetings, but the organization's backing has faltered in recent years. For example, former Venezuelan President Carlos Andres Perez—an SI Vice President for Latin America and former staunch Sandinista

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The Sandinistas and International Organizations

The Sandinistas have made active use of international organizations to promote their interests, pose diplomatic challenges to the United States, and confer legitimacy on their regime. Moreover, international forums provide Nicaragua the opportunity to initiate and maintain contacts with a wide range of nations without bearing the added expense of supporting resident missions in countries of marginal importance to Nicaragua. The United Nations and the Nonaligned Movement (NAM) clearly hold the greatest importance for the Sandinistas. [redacted]

The UN serves as an effective means of communicating Nicaragua's overt policies and grievances to the rest of the world. After an abortive attempt to secure a seat on the UN Security Council in 1980, Managua emerged victorious in 1982 and used its position to both amplify its voice in the organization and bolster its legitimacy. [redacted]

Managua has also found the UN a useful and fairly receptive forum for its complaints against the United States and has called for no less than nine Security Council meetings to discuss some aspect of US involvement in Central America. Its greatest victory came in March 1984 when it forced a US veto of a Security Council resolution on the mining of Nicaraguan ports. Notably, several Security Council sessions have been called by the regime apparently in anticipation of US Congressional votes or to deflect

attention from events such as the abortive Libyan attempt to send arms to Nicaragua via Brazil in 1983. The Sandinistas have also used the General Assembly and other UN bodies and procedures to promote their cause. Daniel Ortega's bitterly anti-US address to the Assembly in 1979 set the tone, and in 1983 Nicaragua successfully placed Central America on the Assembly's agenda. Moreover, the Nicaraguans tirelessly support their case at the UN by circulating items such as protest notes to their neighbors and the CIA manual on guerrilla warfare as Security Council and General Assembly documents. [redacted]

Nevertheless, Nicaragua has reaped diminishing returns through its repeated use of this forum. In our judgment, many moderate nations are beginning to look upon the Sandinista maneuvers, their initiation of poorly conceived and inconclusive Security Council sessions, and their repeated claims of an imminent US invasion—including Daniel Ortega's citing of a 15 October 1984 invasion date in the Assembly last year—with increased skepticism. [redacted]

[redacted] UN officials and delegates reacted negatively to Nicaragua's call for a Security Council debate in September 1984 on the downing of an anti-Sandinista insurgent helicopter with two US civilians aboard, believing that the meeting wasted time and resources. Perhaps sensing waning support, Nicaragua staged its last foray into the Security

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supporter—publicly scored the regime last January and declined to attend Ortega's inauguration. Nonetheless, the SI still provides some positive payoff, such as its lukewarm endorsement of the elections last November and recommendation of continued economic aid to Nicaragua. Moreover, the organization produced a communique at a meeting last June that reflected none of its private criticisms of the Sandinistas, while it forcefully condemned US policies in the region. [redacted]

We believe the gradual erosion of West European support is likely to continue as the direction of Sandinista domestic and foreign policies becomes even more obvious. Despite increased dependence on the Soviets and their allies, Managua is unlikely to abandon its attempts to press the West Europeans for at least a neutral stance on US policies. Unwillingness to provoke their own domestic left probably will forestall West European governments from exerting significant pressure on the Sandinistas. [redacted]

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Council in May 1985 to condemn the US imposition of economic sanctions by appealing to internationally respected principles and playing down its radical and Soviet Bloc ties. [redacted]

The NAM has been a useful ally and tool of Nicaragua in the UN and elsewhere in boosting world opinion. Managua has succeeded in pushing through language critical of US policies in Latin America beyond that with which many more moderate members were comfortable. For example, in January 1983, the Sandinistas sponsored a highly effective meeting—from their perspective—of the NAM Coordinating Bureau in Managua to discuss Latin America. The holding of an extraordinary meeting to discuss the regional situation was a departure from normal procedures, and the Nicaraguans presented a harshly anti-US draft resolution to participants without providing sufficient time for discussion. In 1984, the Sandinistas again set precedent by initiating the formation of a "Friends of the Chairman" group—overwhelmingly biased in favor of Managua—within the movement that would inform the NAM Chairman on Central American developments and assist in the preparation of communiques. [redacted]

In its dealings at the UN, the Sandinista regime has made ready use of the NAM to set the stage for UNSC or UNGA debates. The Nicaraguans customarily call for a meeting of the NAM Coordinating

Bureau prior to a UN meeting to generate an official communique that invariably supports Nicaragua's position and carries over into the UN. [redacted]

Ironically, the Organization of American States (OAS)—which took the unprecedented step of calling for Somoza's removal in 1979 and to which the Sandinistas promised a mixed economy, nonalignment, and pluralism—has been largely shunned by the Sandinistas. In fact, [redacted] Nicaragua has used the UN to avoid Central American issues being brought to the OAS. We believe that Managua views the OAS as not serving its interests because of its limited international scope, its historical identification with the United States, and the presence of more conservative governments. [redacted]

Managua has aggressively pursued membership in other international bodies and frequently seeks decisionmaking positions. Nicaragua's diplomacy following the imposition of US sanctions last May provided an illustration of its tactics of getting a vote of support from every possible forum, whether or not the topic was germane to the organization's agenda. The Sandinistas sought resolutions condemning the US action from the UN, NAM, World Health Organization, Latin American Economic System, General Agreement on Trade and Tariffs, and International Labor Organization, among others. [redacted]

South America

South American attitudes toward the Sandinistas, like those of Western Europe, are changing from acceptance to disillusionment, and for the same basic reasons. Nevertheless, Nicaragua's strategy in the region has been conditioned by cultural affinities and geographic proximity. We see Managua's foreign policy as operating on two levels—through overt, official ties and through covert cultivation of local leftists. Overtly, the regime plays on anti-US feelings and emphasizes its claims to legitimacy. Economic aid is sought but generally is less available than in

Western Europe and is less important to the Sandinistas in this area. The accession of new liberal democracies to power in South America generally has helped to give Managua the benefit of the doubt and, at least temporarily, more room to maneuver. [redacted]

Managua initially nurtured the overwhelming support it received from the democratic sectors of Latin America by playing up its revolution as an assertion of national sovereignty. The regime appealed to the

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traditional Latin distrust of "Yankee imperialism" and adherence to nonintervention in internal affairs. The Sandinistas also played up their triumph over the hated institution of Latin dictatorship, although this won them no points with conservative governments.

Repressive Sandinista policies at home, however, eventually began to drain Latin support. Venezuela—formerly a staunch backer—cut off oil exports in 1982, and Mexico reduced its supplies in 1984, for both political and economic reasons. In response, the Managua regime changed its tactics, playing less on its symbolic status—although continuing to hammer away at anti-US themes—and gradually promoting issues important to Latin American solidarity. For example, we believe the Sandinistas saw their support for Argentina during the Falklands crisis in 1982 as a means of enhancing their regime's legitimacy in the region. This year Nicaragua emerged as a vigorous proponent of Latin issues when it joined Havana in advocating a moratorium on the Latin debt. In addition, the Nicaraguan National Assembly recently applied for and obtained membership in the Latin American Parliament, not only attempting to boost Managua's claims to democracy but also integrating itself into an organization where the United States has no voice and little sympathy.

In their bid for Latin American support, the Sandinistas have courted the moderate left—and used their ties to the extreme left—in a number of countries. In our view, the regime has had moderate success in using the local left to exert internal pressure on politically sensitive governments to prevent the implementation of anti-Nicaraguan policies, although such efforts have not stemmed official disillusionment with Sandinista policies. For example:

- The Ecuadorean Foreign Minister told the US Ambassador in late 1984 that his government hesitated to take action against the meddling Nicaraguan Ambassador because of possible reaction from the domestic left, although Quito later expelled the Nicaraguan consul and most recently broke relations with Managua.

- [redacted] the Nicaraguan Embassy in the Dominican Republic has used the local left to intensify anti-US and pro-Sandinista attitudes through the orchestration of demonstrations, peace marches, and the like.

- Managua's Embassy in Caracas contacted a wide range of Venezuelan leftists last May to organize solidarity groups and activities to promote sentiment against US economic sanctions and US policy in general, [redacted]

- In Ecuador and Venezuela, the Nicaraguan Embassy has utilized contacts with local leftist organizations to arrange pro-Sandinista demonstrations, [redacted]

- During the festivities marking the inauguration of civilian presidents in Argentina and Uruguay, [redacted] the Nicaraguans mobilized local leftist groups for large demonstrations of solidarity with visiting President Ortega.

The recent accession of liberal democracies in Latin America has given Managua new opportunities to cultivate backing. For example, the newly installed Garcia administration in Peru has expressed strong support for the Sandinistas, although it presumably will come to recognize the regime's shortcomings. For their part, the Sandinistas have launched an aggressive campaign to cultivate these avenues of support—opening an Embassy in Montevideo, soliciting coordinated South American backing for the Contadora peace negotiations, and personally carrying explanations of their positions to each capital.

Managua's relations with Buenos Aires over the last six years illustrate several facets of Nicaragua's approach. The Sandinistas maintained correct—although somewhat strained—relations with the Argentine military regime, [redacted] Managua's political support for Argentina during the 1982

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Since the anti-Sandinista insurgency began in earnest in 1982, the regime has doggedly sought to engage the other Central Americans in bilateral talks in an effort to relieve mounting pressures generated by regional support for anti-Sandinista forces and by US policies. We believe Managua seeks not only to deny the insurgents safehavens but also to achieve individual accommodations to prevent the coalescence of a united Central American front against it. During the first year of its UN Security Council tenure in 1983, Managua repeatedly tried to use the organization to press both the United States and the Central American countries into one-on-one negotiations, according to diplomatic reporting. Continuing this strategy, after the imposition of US economic sanctions in May 1985, Vice Foreign Minister Talavera made the circuit of Central American capitals in an attempt to arrange bilateral deals. [redacted]

Although Costa Rica on several occasions has agreed to direct negotiations, neither these nor a joint border commission created in early 1984 has significantly reduced the insurgent threat to Nicaragua. Nevertheless, the Sandinistas have propagandized these contacts as a demonstration of their willingness to settle differences through peaceful means. [redacted]

Despite Managua's preference for addressing regional issues bilaterally, we believe it has actively participated in the Contadora peace negotiations in an effort to enhance its international image and thwart US interests in Central America. Initially, the Sandinistas resisted the multilateral approach of the Contadora mediators—Colombia, Mexico, Panama, and Venezuela—and accepted the process only as a forum for

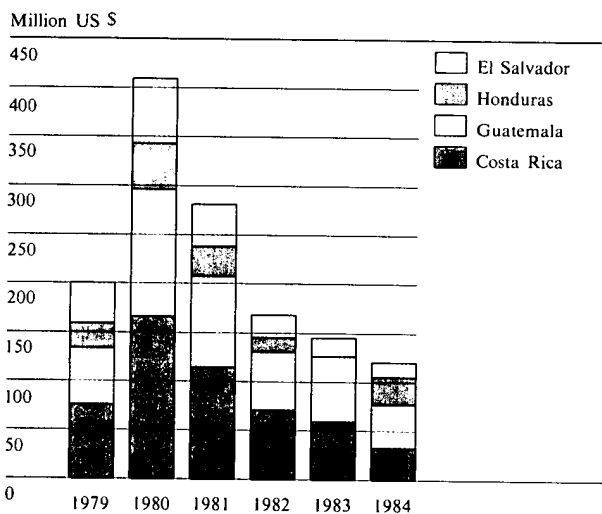
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Figure 3
Nicaragua's Trade With Its Central American Neighbors, 1979-84



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bilateral talks. In April 1983, Nicaragua publicly called on the Contadora nations and the United Nations to sponsor dialogues between the United States and Nicaragua, and between Honduras and Nicaragua. When pressures mounted against them in late 1983, however, the Sandinistas—and their Cuban mentors—decided to use the process to ward off the United States, [redacted]

[redacted] Such pressures included the US intervention in Grenada, the initiation of joint military maneuvers by the United States and Honduras, the opening of the US Regional Military Training Center in Honduras, and increased anti-Sandinista activity on both borders. We believe Managua judged that its participation in regional talks could make it appear reasonable and willing to achieve peace, thus forestalling international—or domestic US—support for a US intervention. [redacted]

Since becoming an active participant in the Contadora process, Managua has benefited handily from the negotiations—both in terms of the September

1984 draft treaty's provisions and the public relations coup it scored by accepting the draft without modification. The regime almost certainly viewed the lack of adequate verification and control provisions as beneficial loopholes in an agreement that would ultimately force the United States to remove its military advisory presence from both Honduras and El Salvador. In addition, the Sandinistas have effectively introduced bilateral issues—such as the call for talks with Costa Rica last June—into the Contadora process in what we believe is an effort to thwart the attempts of other Central American states to coordinate their strategies. Recent rounds between the mediators and the Central American countries have produced a new draft treaty—more responsive to the concerns of Nicaragua's neighbors but still weak on verification and control provisions. Managua has indicated some disagreements with the document and seems less concerned about appearing accommodating. The Sandinistas probably would welcome continued, inconclusive negotiations, believing such sessions ward off a US invasion but require no Sandinista concessions.

The likelihood of improved relations between Managua and the other Central American capitals appears slim. Viewing Sandinista calls for bilateral talks as deliberately divisive, the other Central American countries—minus Guatemala, which has followed its own agenda—probably will continue to attempt to coordinate diplomatic efforts, particularly in the Contadora negotiations. The Sandinistas are unlikely to retreat from their policy of pressing their neighbors for accommodation and probably will seek to involve actors from South America and Western Europe to dissuade the other Central Americans from their tough stance toward Nicaragua. Moreover, preoccupation with the anti-Sandinista insurgency over the medium term is likely to continue to sap the regime's ability to significantly step up its efforts to spread the revolution beyond its borders. [redacted]

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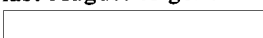
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Influencing the West Through Propaganda and Solidarity



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The Sandinistas have effectively used propaganda and contacts with solidarity groups in Western Europe and Latin America to promote Nicaragua's interests. Much of the Sandinista media effort has been devoted to mobilizing international pressure against alleged US destabilization efforts and polishing Managua's claim to pluralism. Its ties to solidarity committees help spread favorable propaganda and create local pressures on governments for continued support of the regime. 


Nicaraguan propaganda themes focus on portraying the Sandinistas as peace-seeking Davids besieged by the US Goliath. In so doing, Managua's apparatus has emphasized the regime's role in the Contadora peace negotiations and the alleged atrocities committed by US-backed insurgents against Nicaraguan citizens. In addition, the Sandinistas have capitalized on newsmaking events such as Foreign Minister D'Escoto's "peace" fast last July and the US-based "Witnesses for Peace" boat ride down the San Juan River last August to generate sympathy for their cause. 

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The Propaganda Apparatus


Managua employs a variety of its own media organs as well as access to international wire services to disseminate favorable information and generate sympathy. The regime established a department of Propaganda and Political Education to coordinate the flow of information shortly after seizing power in 1979. A monthly international edition of the party's official newspaper *Barricada* is produced in Spanish and English, along with a bilingual monthly magazine called *Soberania*. The regime set up the New Nicaraguan News Agency and entered a pool of nonaligned wire services to extend its reach. 

The Sandinistas also have originated disinformation about US policies and activities on a regular basis. Two recent examples were Nicaraguan accusations last April that the CIA was planning to kill Miskito Indian leaders in order to disrupt ongoing talks with the regime, and allegations that the CIA at one time planned to use anti-Sandinista insurgents to attack Honduran villages, thereby justifying an invasion of Nicaragua. 

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Promoting Solidarity

Beyond its own media coverage, the regime capitalizes on the presence of international journalists and visitors to disseminate its positions. For example, Managua announced at a press conference arranged for visiting US solidarity group members that they were there to prove "the lies of the Reagan administration's policies," according to the US Embassy. On another occasion, in 1983, Interior Minister Borge assembled journalists to listen to his praise of Latin American patriot Simon Bolivar, in what we view as an attempt to cultivate Latin favor. Managua also uses the regime-sponsored Commission for the Promotion and Protection of Human Rights as an arm of the MFA, to maintain contact with international human rights groups and improve Nicaragua's image internationally, 

Sandinista contacts with international solidarity groups help the spread of such propaganda but also serve as visible reminders to other governments of the revolution's reach through their staging of demonstrations, vigils, press conferences, and letter-writing campaigns. According to US diplomatic reporting, Nicaraguan Education Minister Cardenal—a frequent emissary and well-known figure among Western and Third World literati—recently told a gathering of Austrian youth in Salzburg that the international solidarity movement was of great importance to Managua in view of what he called the threat of a US invasion, and solicited their support. According to the US Embassy, Managua announced on 4 October the initiation of an international campaign, called "Nicaragua Must Survive," to mitigate the effects of US trade sanctions through international solidarity. As a

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further indication of the importance ascribed to solidarity, both the Foreign Ministry and the DRI have offices dedicated to promoting ties, and Nicaraguan embassies are in routine contact with such groups. For example, an official of the Christian Democratic International told a US Embassy representative in Brussels that the Nicaraguan Ambassador to Belgium is active in providing propaganda to dozens of sympathetic church and other groups, as well as sponsoring group visits to Nicaragua to see the revolution first-hand. [redacted]

Solidarity with Nicaragua is promoted through friendship societies, cultural organizations, human rights groups, and peace associations, among others. The Nicaraguan People's Solidarity Committee established in 1979 has as a primary duty the promotion of "internationalism and ties with national liberation groups." The Anti-Imperialist Tribunal of Our Americas, publishers of *Soberania*, is a Sandinista-sponsored international solidarity group based in Managua that claims over 20 chapters in Latin America. [redacted]

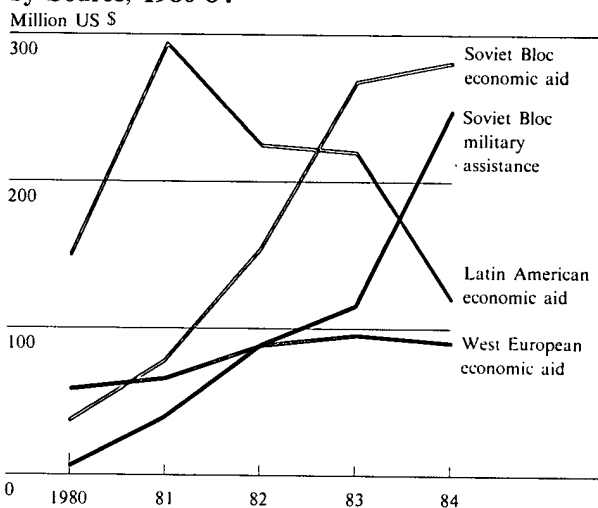
[redacted]

Looking to Cuba and the Soviet Bloc ?

In contrast to its deteriorating standing with the West, Nicaragua—not unexpectedly—has made significant strides in its relations with the Soviets and their allies. The Sandinistas had ties to Cuba and the Soviet Bloc before their revolutionary victory, [redacted] and, on coming to [redacted]

[redacted]

Figure 4
Nicaragua: Summary of Economic Aid Disbursements and Military Deliveries by Source, 1980-84



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power, set out to solidify relations. Managua has explained its contacts with these nations as in keeping with its commitment to nonalignment and as balancing its ties to the West. [redacted]

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Expanded relations with the Soviet Bloc have been crucial for the regime's consolidation, but are not without their shortcomings. Bloc military aid increased from a negligible amount in 1979 to some \$250 million in 1984, according to our calculations. As the West became disillusioned with the Sandinistas, the regime turned increasingly to the Communist states for its economic, as well as military, needs. In late 1983, Nicaragua obtained observer status in the Council for Mutual Economic Assistance (CEMA), underscoring, in our judgment, a more coordinated and long-term commitment to economic dealings with the Soviets and their allies. Moreover, despite Moscow's caution and protestations that it could not meet

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Managua's economic requirements, [redacted] the Bloc has taken up the slack when Western economic aid has faltered—supplying close to \$300 million in 1984 alone. Nevertheless, increased Sandinista ties to the Bloc have contributed, in turn, to further Western disillusionment, as evidenced most recently by the negative Western reaction to President Ortega's trip to Moscow last April. Although the Sandinista regime increasingly depends on the Communist states, they cannot address all of its needs and vulnerabilities. Both Havana and Moscow have indicated to Managua, [redacted] that in the event of a US intervention they will not send combat troops—beyond the Cubans already stationed in Nicaragua—to aid in its defense. [redacted]

Cuba

As Nicaragua's most important ally, Cuba serves as its revolutionary model, a source of assistance, a conduit to other nations, and a senior partner in exporting the revolution. Nevertheless, the close relationship does produce some bilateral tensions. [redacted]

The Sandinistas admire the Cuban leader as a role model, his revolution as a goal for which to strive, and his defiance of the United States as appealing. In presenting Castro the highest Sandinista award in January 1985, Daniel Ortega described him publicly as an "inspiration for our daily struggle" and a successful example of defying the United States. The Castro regime also has served as a ready source of assistance to the revolution. [redacted]

[redacted]

Cuban assistance to the Sandinistas dates back years before the revolution, and Castro's push to unify the FSLN helped them to achieve victory. Cuban advisers present in the party when it came to power were joined by some 200 military personnel and some 1,200 teachers in late 1979. We estimate that some 2,500 to 3,500 Cuban military and security personnel

and some 3,500 to 4,000 Cuban civilians currently are based in Nicaragua; most, [redacted] are able-bodied males with military experience. These advisers are involved in the implementation of numerous cooperation agreements covering agricultural development, education, public health, construction, and communications, as well as providing military training, advising the state security apparatus, and engaging in combat support. Material aid from Havana has consisted primarily of transfers of Soviet military equipment—mainly small arms and minesweepers—agricultural products, consumer goods, and school supplies. In addition, the Castro regime has provided military, political, and educational training to several thousand Nicaraguans over the last six years. [redacted]

The Sandinistas have benefited from Cuban willingness to serve as a conduit in promoting Nicaragua's interests abroad. Evidence over the years has shown Havana consistently defending Managua's interests in its propaganda, in international forums, and in private meetings with foreign officials and journalists. Occasionally, the Castro regime has tried to protect Sandinista equities by cautioning other countries—primarily the more radical nations—to be more circumspect in their activities. [redacted]

[redacted] the Cubans—and the Soviets—have been concerned by the Sandinistas' deteriorating standing with the West and have cautioned regime leaders not to alienate such supporters. [redacted]

To promote their joint ideological interests, Nicaragua and Cuba have engaged in cooperative and complementary efforts to encourage the rise of like-minded regimes in Latin America. In our judgment, one of the motivating factors for Sandinista participation in subversion—beyond ideology—is a desire to pay back the debt owed to Cuba and other regional radicals for assisting in the overthrow of the Somoza government. Shortly after taking power in 1979, the Sandinistas began to provide the Salvadoran rebels

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with arms and equipment transported to Nicaragua by the Castro regime. Managua and Havana have worked jointly in their attempts to unify leftist groups in El Salvador, Guatemala, Honduras, and Costa Rica, [redacted]

[redacted] Latin radicals often receive preliminary training in Nicaragua and then are sent to Cuba for additional instruction. [redacted]

At times, however, the Nicaraguans chafe under Cuban tutelage. Their admiration of and dependence on Havana notwithstanding, Sandinista leaders frequently assert publicly that they are their own bosses, and we believe that they make similar comments occasionally in their private dealings with the Cubans. [redacted]

[redacted] although the Sandinistas consult Havana on almost every matter and generally follow Cuban advice, at times they choose an independent course, even though this usually leads to adverse results. [redacted]

Such strains are minor irritants, however, and are unlikely to impair the mutually beneficial relationship the two countries enjoy. In our view, the Sandinistas consider the Cubans fraternal revolutionaries, and both share an ideological mind-set that provides them with ample common ground. Indeed, the Nicaraguans probably will draw even closer to Havana for advice on manipulating international opinion, dealing with the pressures of the insurgency, and warding off pressures from the United States. The Cubans, for their part, view the Nicaraguan revolution as their most successful achievement in more than two decades of support to radical revolutionaries, in our judgment, and intend to continue their extensive aid to the Sandinistas. In addition, Nicaragua represents a secure base from which the Cubans can monitor and expand their activities in Central America. [redacted]

Nevertheless, Managua has admitted publicly—and has been advised by Havana—that it would have to face a US invasion without any prospect of being reinforced by additional Cuban forces. In making this admission, the Sandinistas have indicated, in our assessment, that they recognize and accept the constraints that Castro faces and do not expect him to

sacrifice the Cuban revolution for Nicaragua's—in much the same way the Sandinistas view their commitment to the Salvadoran insurgents. [redacted]

The USSR

The Sandinistas' relationship with the Soviet Union has been driven foremost by the need for military, political, and—increasingly—economic assistance. The Nicaraguans clearly have been the supplicants, as demonstrated by their repeated high-level visits to the USSR and its allies to solicit aid. Moreover, their voting record in international organizations shows their broad support for Soviet foreign policy. [redacted]

In our judgment, the Sandinistas look less to the Soviets as role models—reserving that distinction to Cuba—and more as patrons, in effect replacing the United States in its historical role. Publicly, Moscow has minimized its ties to Managua, probably to avoid antagonizing the United States. Nevertheless, the Soviets have offered some public political support and established close party-to-party ties to the FSLN. [redacted]

The Nicaraguan-Soviet relationship has not been without its difficulties, however, with Managua lobbying for aid and military commitments and the Soviets cautioning the Sandinistas to remain flexible, keep their options open, and avoid jeopardizing their access to Western economic and political support. For example, a well-informed Mexican diplomat told US officials in Moscow that the Soviets were not pleased with Daniel Ortega's visit in June 1984 because it was thrust on the Kremlin at an inopportune juncture in Nicaraguan-US relations. In our view, the Sandinistas are probably somewhat frustrated by the Soviets' caution, given their ideological closeness. On several occasions, Soviet leader Gorbachev has pledged support for Managua, and since last spring Moscow has increased its commitment of economic assistance to the Sandinistas, possibly smoothing over some of the tension inherent in their relations. [redacted]

Despite the contrast between the staid Soviets and the zealous Sandinistas, their relationship has deepened, as evidenced by a sharp rise in Soviet military and

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economic assistance. In 1984, then Minister of Planning Henry Ruiz visited Moscow four times to discuss Soviet aid, supplemented by the visits of regime leaders Humberto Ortega, Daniel Ortega, and Tomas Borge as well as lower level delegations. Ruiz returned to the USSR in April 1985 with President Ortega's highly publicized aid-seeking mission. That trip was generally successful in obtaining increased Soviet aid commitments—including a bilateral economic agreement, almost \$60 million in hard currency, and a guarantee to meet some 80 percent of Nicaragua's oil needs—but it cost the Sandinistas substantial political capital in the West. [redacted]

Sandinista relations with the Soviets almost certainly will deepen further, although Moscow probably will be cautious to maintain a lower profile than Havana. Having raised their economic and military assistance to the regime considerably in the last year, the Soviets probably hope to make future increases incrementally as a low-cost means of maintaining an ally in Central America. For their part, however, the Sandinistas will continue to press Moscow for more substantial commitments. [redacted]

Eastern Europe and Non-Bloc Radicals

The Sandinistas look to Warsaw Pact countries in Eastern Europe for assistance to supplement that provided by the USSR and Cuba, and in some specific cases seek help in consolidating revolutionary institutions. In our judgment, these countries primarily represent an extension of Moscow's influence and largesse to the Sandinistas and are cultivated as such. In the last two years, tours of the Bloc by Nicaraguan representatives to request economic grant aid and donations of foodstuffs and consumer goods have increased in frequency. In some instances, relations appear fairly pro forma in nature, as with Hungary and Romania. Other East European nations—East Germany and Bulgaria, in particular—clearly hold more interest for the Sandinistas by virtue of their contributions to the institutional aspects of the revolution, as well as their service as Soviet surrogates in the delivery of military equipment. Berlin and Sofia provide Managua with help in party organization and political indoctrination, according to US Embassy reporting. Moreover, the Sandinistas appear to depend on these Bloc countries—along with the Cubans—in building their security apparatus. [redacted]

In contrast to the West, where the Sandinistas have tried to play down their ideological predilections, the Nicaraguans emphasize their Marxist credentials in contacts with the Bloc. In 1981, Managua established the Association of Friendship with Socialist Countries in an apparent attempt to cultivate domestic receptivity of closer ties to Eastern Europe. Accordingly, in visits to Warsaw Pact nations, Nicaraguan officials often drop their pretenses of aspiring to Western social democracy and reiterate strong support for Soviet and Bloc positions. For example, Ortega praised the German Democratic Republic as a “fortress of peace” and endorsed Soviet disarmament proposals while in Czechoslovakia during his visit last May. We expect that, as Sandinista credibility in the West decreases, Managua will turn increasingly to Moscow's allies for economic aid, as well as continued political support. [redacted]

Nicaragua's ties to Middle Eastern radicals have deepened over the years and appear motivated by a desire both to cultivate aid and to defy the United States. Before coming to power, the Sandinistas obtained guerrilla training from the Palestine Liberation Organization (PLO), and since that time have benefited from their Middle East connections in terms of economic, technical, and military aid. In our judgment, the Nicaraguans are attracted by the radical Arabs' cavalier attempts to thwart US interests and envy the lack of constraints—such as proximity to the United States—that their Islamic allies face in doing so. In fact, some Nicaraguan officials reportedly are concerned that contacts with the radicals in the Middle East not undercut the regime's efforts to appear moderate in Western eyes. [redacted]

Managua's relations with Middle Eastern radicals are mutually beneficial, with the Sandinistas providing diplomatic and other political support while receiving substantial material assistance. Nicaragua broke diplomatic relations with Israel in 1982, in part, we believe, to curry favor and aid from the Arab states. Further catering to their radical allies' concerns, Managua has become host to the PLO's only embassy outside the Arab world and regularly supports Palestinian issues in international forums. In return, the

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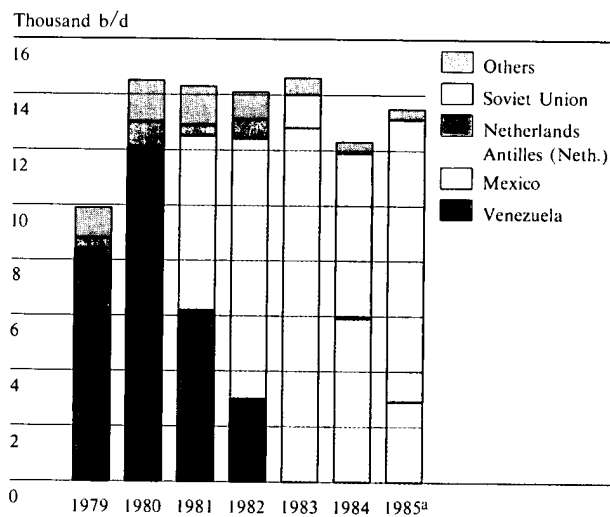
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PLO has provided pilots, pilot training, and other aviation assistance to the Sandinistas. Similarly, Nicaragua looks to Libya for financial aid—based on available data, we estimate that Tripoli has provided \$250 million or more in loans—agricultural assistance and military equipment. For its part, Nicaragua has become the focus of Libyan efforts to undermine US influence in Central America through support to the Sandinistas and other regional radicals, according to public statements made by the regime in Tripoli. Managua's ties to Tehran also have been mutually supportive. President Ortega recently condemned Iraqi aggression, and Iranian officials publicly expressed support for Nicaragua during Prime Minister Musavi's visit last January, stating that such solidarity stems from a shared struggle against the United States. Moreover, Iran has provided foreign exchange through third-party oil deals and reportedly has attempted to ship arms to the Sandinistas via North Korea. We expect Nicaragua's Middle East relationships to continue apace, but—in the absence of a shared ideological basis—to remain founded on more concrete reciprocal interests. [redacted]

Losing Non-Bloc Support

Managua in recent years has run into greater difficulties in trying to maintain good relations with the West while proceeding with internal consolidation and closer alignment with the Soviets and their allies. Indeed, the Sandinistas have lost considerable ground from the overwhelming international support they claimed in 1979. Although we believe that FSLN strategists saw an ultimate end to Western benevolence, they probably calculated that the regime's security would be assured and its consolidation substantially achieved before they lost that support. Contrary to such expectations, however, the regime presently faces a persistent threat to its consolidation from the anti-Sandinista insurgents while its backing from the West is faltering. [redacted]

Figure 5
Nicaraguan Imports of Crude Oil and
Petroleum Products by Supplier, 1979-85



^aProjected.

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In an effort to minimize the impact of Western disillusionment, Managua has effectively employed some aggressive new approaches, especially in international forums. For example, Nicaragua's election to the UN Security Council for the 1983-84 session bestowed substantial legitimacy on the regime and gave it a high-profile platform for attacks on the United States, including the resolution condemning the mining of Nicaragua's ports in March 1984. Similarly, the regime's resort to the International Court of Justice over US involvement in the mining incident helped shore up Nicaragua's victim image and boosted its claim to the moral high ground when the United States rejected the forum's jurisdiction. Moreover, the Sandinistas have been fairly skillful in making and propagandizing tactical concessions without surrendering their ultimate objectives. Managua's

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acceptance of the Contadora draft treaty in September 1984 scored it political points as a peacemaker and painted the other four Central American nations as obstacles to a regional settlement. [redacted]

Nonetheless, in our judgment, events thus far in 1985—such as the absence of Western leaders from its inauguration and anniversary festivities, as well as negative Western reaction to Ortega's trip to Moscow—indicate that Managua has had waning success in mustering active political or economic support from Western Europe, in thwarting external support to the anti-Sandinistas, and in scoring big successes in international forums. We view most of the Sandinistas' non-Bloc support as increasingly passive to neutral. A [redacted] some West European social democratic leaders view their backing for Nicaragua merely as an obligation, indicating a lack of strong political convictions in their support for the Sandinistas. [redacted]

The Sandinistas' maneuvering room and margin of error in their international dealings is becoming more narrow, in our judgment. Their disruption of the Contadora peace talks on two occasions—the impasse with Costa Rica last February and walking out of the talks in June 1985—highlighted Nicaraguan intransigence. Moreover, the embattled and defensive outbursts of some of the Nicaraguan leaders in response to Western prodding for democratic reforms indicate that minimal concessions are becoming more difficult for the regime to make. In fact, the Sandinistas sometimes have acted as revolutionary bulls in diplomatic china shops, such as in Ortega's impolitic and caustic remarks describing President Reagan as a "fascist" while touring Europe or their blatant meddling in another nation's domestic affairs. Nicaragua's Ambassador to Bolivia, for example, publicly urged students, workers, and politicians in late 1983 to convert that nation into a "free" country like his own. [redacted]

We believe that the Sandinistas' flagging success in cultivating the West is due in part to greater ideological rigidity as they consolidate the revolution. Although some blunders also are attributable to inexperience or frustration at growing external pressures, a review of Managua's diplomatic gaffes suggests that

the Sandinistas' sometimes myopic world view—that is, that the world owes them support and will understand their actions—and their lingering guerrilla siege mentality are also to blame. For example, we believe that the belligerent behavior on the occasion of the Pope's visit to Managua in 1983 was due to their desire to assert their authority—above that of the Pontiff's—in providing spiritual, as well as political, guidance to the revolution. [redacted]

Prospects and Implications for the United States

Because the Sandinistas view the consolidation of the revolution as a long-term goal, we believe they will continue to pursue their current foreign policy strategy over the next year and beyond. [redacted]

[redacted] In our assessment, Managua, at a minimum, will continue playing to the West for support as long as the insurgency remains a threat. Even if the insurgency were defeated, we believe the Sandinistas would maintain their facade of "balance" and avoid full identification with the Communist states to continue receiving whatever assistance the West is willing to offer. [redacted]

Nevertheless, given the shifting trend of the last few years, we believe the Sandinistas will be less effective in maintaining Western support, their relations with the Bloc will become more obvious, and they will be engaged increasingly in efforts to limit damage to their image in the West. We assess that the Sandinistas probably will increasingly become victims of their own mistakes, as ideological considerations cloud their calculations of Western tolerance for the regime. [redacted]

Because the anti-US theme is basic to Sandinista ideology, we expect the United States to continue to be the whipping boy in most of Managua's foreign campaigns, although such appeals seem likely to decrease in effectiveness. Having reaped considerable success and sympathy from international forums such as the United Nations and the Nonaligned Movement, the regime probably will maintain a high profile

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and persevere in its efforts to rally international condemnation of US policy in Central America. Despite varying degrees of West European opposition to some US policies in that region, [redacted] [redacted] significant fatigue with the Sandinistas' frequent rhetorical outbursts and appears to portend less sympathy for their cause in the future. In fact, its foray into the Security Council last May on the issue of US sanctions produced mixed results. If Managua meets with lukewarm support, we expect that it may strike out at the United States on issues of a more sensational nature—such as the antinuclear cause—in which it has a lesser stake but can muster significant and wide-ranging international backing. [redacted]

We expect Managua to shift its official diplomacy to concentrate on the new Latin democracies while increasing its emphasis on nonofficial lobbying in Western Europe. The regime probably will assign more aggressive diplomats to Latin America, as in the recent appointments of two highly competent Ambassadors to Brazil and Venezuela. The receptivity of the new administrations in Peru and Uruguay to Managua's ministrations is a bright spot that the Sandinistas will seek to exploit. Nicaragua probably will expand its use of propaganda and solidarity groups in Western Europe as its effectiveness at the official level wanes. [redacted]

Based on its past behavior, we judge that the regime will keep trying to reach bilateral accommodations with its neighbors in Central America while still participating in the Contadora peace negotiations. The Sandinistas will try to undermine the Central Americans' confidence in the United States and almost certainly will augment diplomatic pressure with continued support for regional insurgents and subversives. Moreover, if the Sandinistas find their maneuvering room in negotiations is shrinking and their manipulation of the process yielding fewer benefits, they may increase—within the limits ascribed by the needs of their own counterinsurgency efforts—such covert backing to heighten the pressures on neighboring governments. [redacted]

Managua's plans for further consolidation of Marxist rule make continued close military, political, and increasing economic ties to the Soviet Bloc and Cuba

a necessity. Nevertheless, Managua and its socialist allies will seek to avoid full identification, such as acceptance as a member in CEMA or publicized bilateral friendship treaties, until they perceive the West as having definitively written off the Sandinistas. Both Nicaragua and its allies will continue to try to avoid the kind of political and economic isolation that Cuba has faced. [redacted]

Although we believe the current trends in Nicaragua's foreign policy will continue at least over the next year, the following are indicators that may point to a shift toward a strategy guided solely by ideology:

- Total abandonment of the Contadora process and refusal to enter into future multilateral negotiations.
- More active, concerted support to South American radicals.
- Reduced efforts to cultivate the Socialist International and address Western concerns with even cosmetic gestures, such as periodic demonstrations of political flexibility.
- Less frequent trips by the Sandinista leadership to Western nations.
- Public statements by regime leaders admitting Marxist-Leninist goals.
- The conclusion of one or more bilateral friendship treaties with the Soviet Union or its allies. [redacted]

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