

**The Red and the Black:**

**The Sandinistas and the  
Nicaraguan Revolution**

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# The Red and the Black: The Sandinistas and the Nicaraguan Revolution

## Introduction

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In July 1979 the Frente Sandinista de Liberación Nacional (FSLN) came to power in Nicaragua on the crest of a wave of popular insurrection which ended over four decades of the Somoza family dictatorship. On 25 February 1990, in an election the FSLN organised and expected to win easily, the Frente Sandinista suffered a decisive defeat. This defeat, at the hands of a coalition generally viewed as associated with the US-funded *contras*, represented a spectacular victory for US policy in Nicaragua. The implications of the election for the cause of progressive change in Nicaragua were much more complex. On the one hand, the Frente Sandinista fought and ruled under the banner of nationalism, taking an uncompromising stand for Nicaragua's independence from US domination. In its rhetoric and through many of its early policies it committed itself to the struggles of the lower classes. At the ideological level the defeat was presented as a victory of pro-imperialist and economically reactionary policies. On the other hand, for a decade the Frente Sandinista obfuscated class politics and served as a barrier to effective mass participation, rendering its electoral defeat ambiguous with regard to the struggle for progressive change in Nicaragua.

Political movements rarely conform closely in practice to their ideological rhetoric. In the Middle Ages peasant insurrections characteristically adopted the ideology of religious purification, or millenarianism, but they were usually struggles against repressive authority.<sup>1</sup> During the nineteenth century most independence movements in Spanish America adopted the ideology of the rights of 'man', inspired by the French and North American Revolutions. Virtually without exception the oligarchs and merchant classes that led these struggles had little interest in implementing the principles of bourgeois equality.<sup>2</sup> In Africa in the 1950s and 1960s government after government replaced the colonial masters, professing a commitment to African Socialism; then with few exceptions those governments fostered capitalist development. In each epoch the call for change adapts to itself the radical rhetoric of the time. It is not surprising then that the Frente Sandinista would define itself as Marxist; all the more since this rhetoric represented the antithesis of the ideology of the government of the United States, which played a crucial role in maintaining the Somoza dictatorship. This is not to say that the Sandinistas were not socialists; but their use of the language of Marxism and Leninism did not mean that they were. Words are a form of the ideology of politics, not the essence of political struggle.

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The construction of socialism entails more than use of rhetoric or invoking ideological abstraction. Like Liberalism and Fascism, 'Socialism' implies particular systems of political, economic and social organisation, however fraught with ambiguity and debate these may be. While each political form has its variations, each also has a core of practice that differentiates it from the others and gives to it a concrete reality beyond the abstraction of words. The Somozas called themselves democrats, yet few if any believed they were. It would be equally in error to accept the self-definition of the Sandinistas without analysing that label in terms of their practice.

Analysis of the Nicaraguan revolution has tended to accept the Sandinista movement's definition of itself as Marxist, or some form of revolutionary socialist, and then construct history backwards. In this retrospective method, the triumph of socialist revolution becomes the pivotal event in Nicaraguan history from which all other events are interpreted, backwards and forwards. In this approach the key issue of pre-1979 Nicaraguan history became how a revolutionary situation arose which produced the triumph of a socialist movement. Emphasis tended to focus on the construction of the class alliance that made this triumph possible. Since many contended that the latter days of Sandinista rule involved policies more capitalist than socialist, analysis of post-1979 events often sought to explain when and why the putative revolutionary transformation failed to follow its radical course. From this perspective normative judgements, apologies and recriminations tended to abound.

Our interpretation breaks with the approaches described above and attempts to read Nicaraguan history chronologically. Our purpose is to understand the manner in which Nicaraguan society, in particular the rural sector, was revolutionised in the 1980s. To do this we suggest an analysis of class and ideological transformations before, during and after the Sandinista decade. This task is made difficult both because of the ambiguities and contradictions of the revolutionary process and because analysis of Nicaraguan social history is in its infancy. The Sandinistas themselves, as well as most writers sympathetic with their cause, contextualised their struggle almost exclusively within a narrative of US imperialism. As such, their analysis of class relations and social transformation generally was *pro forma* and of questionable veracity. In addition, debate on the class nature of Nicaragua was hampered by the paucity of research on Nicaraguan social history. With the conviction that the Sandinista Revolution is incomprehensible if abstracted from the history of Nicaraguan social change, we develop an interpretation of the Sandinista decade that begins with an analysis of the continuities and discontinuities of the country's past.

We treat the revolution of 1979 as a moment in the sweep of Nicaraguan history in which the tendencies inherent in that history came to dramatic and violent expression, but not to an end. The forces that carried the country to

1979, which swept along the Frente Sandinista de Liberación Nacional with the rest of society, continued their unfolding through the 1980s and into the 1990s. An essential characteristic of Nicaraguan society, virtually since colonial times, was the deep and apparently unbridgeable divisions within the dominant classes. These divisions assumed different forms over time, but remained an essential ingredient of the political process through the 1990s. The triumph of the Sandinistas derived in part from this division and enabled the FSLN to rule for a decade with no coherent class base. The Somozas, too, ruled by virtue of the divisions within the dominant classes, albeit in a profoundly different way. Both of these regimes, the dictatorial and the populist, were exceptional in the sense that they held power with ambiguous class bases, though there the similarity ended. The Somoza dynasty was exceptional in that it served the interest of landowners and capital in the long run while frequently incurring the wrath of many, and in the end most, within the dominant classes.

The Sandinista regime's exceptionality proved much more complex, defying brief encapsulation. It derived from the interrelation of three characteristics. First, the FSLN successfully carried out a national liberation struggle, an armed conflict the purpose of which was to liberate Nicaragua from foreign domination by the overthrow of a US surrogate regime headed by the Somoza family. Second, this conflict enlisted the support of the vast majority of the Nicaraguan people in a loose alliance with minimal formal organisation. And third, the ambiguous class base and loose organisational structure of the insurrection reflected the dominant social relations within Nicaragua. Capitalism was vibrant but incipient in the Somozas' Nicaragua, and the classes of modern bourgeois society, the proletariat and the capitalist, remained at an early stage of formation. In the countryside the social structure included many forms of non-capitalist relations of production out of which arose a multitude of often inconsistent political demands during and after the insurrectionary struggle.

Reflecting its complex and chaotic character, the insurrection that overthrew the Somoza dynasty produced major and irreversible changes. In part from the pressure of external aggression and in part from the revolutionary dynamic inherent in the insurrection, two processes profoundly transformed Nicaragua. The propertied classes, divided at the outset of the insurrection, became progressively weaker during the 1980s, less and less able to impose a new regime that could carry out an effective counter-revolution. Related to this, but potentially more profound, struggles of small rural producers and the landless transformed agrarian society. At the outset of the insurrection a multitude of forms of servile class relations involving share-cropping, tenantry, debt and patron-client bonds dominated the countryside, existing alongside and overlapping with free wage labour. By the end of the 1980s, after redistribution of land and a fundamental decline in the power of the traditional landlord class, servile class relations existed as an exception. A majority, but still far from all,

of the rural population had acquired direct access to land.

In this context it is important to specify the sense in which we employ the concept 'peasantry'. We understand peasants to be small rural producers enmeshed in subordinate, exploitative and non-capitalist class relations with larger landowners. We do not apply the term in general to small scale agricultural producers, rural proletarians, or the rural poor. Using this definition, we encapsulate the dominant change of the Sandinista Revolution as the transformation of rural Nicaragua from a society of peasants (*campesinos*) and landlords (*patrones*) to a society of farmers, small and large. Put simply, the Sandinistas presided over the demise of an agrarian class order in which patronage characterised the generalised social form, and which crudely might be called feudal or seigneurial. These two changes, decline of the power of the dominant classes and the rise of the small farmer, produced a radically different Nicaragua over the course of a decade. As we shall see, both of these changes occurred largely outside the control of the Sandinista leadership.

Our argument about the class nature of pre-revolutionary Nicaragua is contentious. The prevailing view, which acquired the status of official Sandinista dogma, is that prior to 1979 Nicaragua was definitively capitalist.<sup>3</sup> According to this interpretation President José Santos Zelaya (1893-1909), or at the latest Somoza García (1936-1954), ushered in the rule of capital in Nicaragua; and by 1979 most of the economically active population in the countryside were rural proletarians. We develop an alternative interpretation and periodisation of Nicaraguan history.<sup>4</sup>

The foregoing argument is presented in several parts. First, we briefly analyse the divisions within the dominant classes in Nicaragua and the implications of their fragmentation. Second, we suggest an interpretation of the dominant social and economic characteristics of Nicaragua prior to the revolution, arguing that due to the prevalence of relations of servitude in the countryside Nicaragua was far more underdeveloped than is commonly argued. Next we examine the revolutionary changes in the rural class structure. There then follows a discussion of the ideology of the Frente Sandinista, which, we contend, constituted a programme of populist reform whose essential ingredient was nationalism. The foregoing allows for analysis of the electoral defeat of the Sandinistas in February 1990, the response of the Frente to its defeat, and the nature of the Chamorro regime that followed the Sandinistas. The final section considers whether the transformations that occurred in the 1980s were reversible. A central conclusion from our analysis is that throughout the years of its rule the Frente sought an alliance with factions of the previously dominant classes in order to consolidate its populist programme, but only in defeat achieved that alliance in effective form.

### The FSLN and the Tide of History

The Sandinistas represented a continuation of tendencies of the past, and, at the same time, presided over a fundamental rupture with traditional class relations. Two aspects of Nicaraguan history are central to understanding this dialectical role of the FSLN: the historic divisions within the dominant classes and the prevalence of servile, patriarchal relations of production in the countryside. Prior treatments of the Sandinistas have, in our view, given insufficient emphasis to these two aspects of Nicaraguan history.<sup>5</sup>

For a number of reasons, history forged in Nicaragua propertied classes divided and incapable of imposing coherent rule over the country.<sup>6</sup> The weakness of the propertied classes derived not merely from the absence of strength and unity, but represented a changing yet enduring process of divisiveness, manifested in armed conflicts which continuously devastated the country from independence until the creation of the Somoza regime. After formal independence, these armed conflicts frequently were associated with elements of the propertied classes seeking the intervention of outside agents, usually from the United States, to shift the balance of power within Nicaragua. Thus, these divisions explain, in part, critical moments during which North American armed forces intervened to alter the course of Nicaraguan history. The most important of these was the creation and maintenance of the Somoza dynasty whose antithesis was the triumph of the Sandinista revolution.

The fragmentation and weakness of the propertied classes in Nicaragua called forth US intervention, not the reverse, for it served the immediate interests of sectors of the dominant classes in both countries.<sup>7</sup> The traditional political division within the propertied classes in Nicaragua, between Liberals and Conservatives, originally had a geographical basis, centred on the landowning families in León and Granada respectively. During the forty years after independence the propertied classes in Nicaragua fought among themselves almost unceasingly. This armed conflict represented elite contests over control of the state as such rather than ideological or economic differences. Although weak and impoverished, the state apparatus held out the promise of enrichment more than agriculture or commerce. Because the country lay at the margin of a backwater within Latin America, these productive activities provided limited scope for the accumulation of wealth.

After the Clayton-Bulwer Treaty of 1850, Central America, particularly Nicaragua, fell into the US sphere of influence, realising the geopolitical ambitions formally but ineffectively asserted in the Monroe Doctrine twenty-seven years earlier. The first significant intervention in Central America,

involving the infamous William Walker, took the form of a private enterprise engaged by Nicaraguan Liberals embroiled in an armed conflict with their Conservative rivals.<sup>8</sup> After the Liberals hired the North American adventurer to shift the balance of power in their favour, pre-existing partisan divisions grew intensely bitter. Following the rout of Walker's army at the Battle of San Jacinto, the Liberal Party fell into disgrace, and fell from political power until José Santos Zelaya took the presidency in 1893. After Walker, who enjoyed its tacit support, the US government assumed direct control over armed interventions, all of which were characterised by close coordination with elements of the Nicaraguan elite.

In 1909 Washington provided military assistance to the Conservatives, which culminated in a coup that toppled Zelaya. Despite US military and economic support, the Conservative faction proved incapable of asserting its hegemony over the propertied classes, much less the Nicaraguan masses. There followed twenty-five years of US military occupation during which Nicaragua was ruled as a *de facto* US protectorate.<sup>9</sup> Into the early 1930s, Washington's domination of the country contributed to the prolongation of a bloody civil war. While this war began as a conflict within the elite, it evolved into a peasant insurrection under the leadership of Augusto 'César' Sandino.<sup>10</sup> With the success of Sandino's struggle, the primary function of the US occupying forces became the protection of the dominant classes as a whole against the revolutionary demands of the Nicaraguan peasantry. Notwithstanding the underlying class character of the civil war, the landowning and political elite remained deeply divided and unable to forge cohesive class rule over the populace.

US military occupation in the 1920s and early 1930s engendered considerable opposition, both in Nicaragua and in the United States. But unlike in the Philippines a decade earlier, the US war against the nationalist and populist movement led by Sandino did not prove effective in establishing stability under Washington's domination. Faced with the remarkable success of Sandino's guerrilla army, in the 1920s strategists in the US State Department sought to create a government for Nicaragua which would end the necessity of US direct military intervention, as well as overcome or by-pass the divisions within the elite that contributed to political instability. The solution, which involved creating a trained 'professional' army, did not overcome the intra-elite divisions but was imposed above them, suppressing rather than resolving a century of intra-elite conflict.<sup>11</sup> The new US policy was implemented in 1927 with the creation of the National Guard and the appointment of Anastasio Somoza García as its commander, to serve as the local agent of US oversight of Nicaragua.

With continued US sponsorship, Somoza García was elected president of Nicaragua in 1936, after demonstrating his utility by assassinating Sandino and brutally repressing the peasant movement. Far from forging unity of the

propertied classes, Somoza García nurtured those divisions as part of his successful strategy to consolidate power.<sup>12</sup> The stability and longevity of the Somoza regime, in which power passed from father to older son (Luis Somoza Debayle), to younger son (Anastasio Somoza Debayle, 'Tachito'), derived from fostering divisions within the dominant classes while containing the conflicts those divisions generated.<sup>13</sup> This strategy, requiring a subtle balancing of alliances and antagonisms, was implemented with considerably more success by the father and elder son than by 'Tachito', who more often than not substituted force for finesse.

Social stability under the Somozas, achieved by a mixture of political guile and brutal repression when necessary, facilitated rapid economic growth from which most factions of the elite derived considerable benefit.<sup>14</sup> At the same time, the suppressed but smouldering political divisions within the dominant classes debilitated opposition to the regime. This contradictory relationship, economic benefits combined with political manipulation, was made explicit in several formal agreements between the Somozas and the elite opposition. The most famous of these, *El Pacto de los Generales* of 1950, responded to opposition demands by providing an appearance of power-sharing without substance. Because intra-elite conflicts did not erupt into violence, the Somoza years were popularly regarded, even during the Sandinista decade, as a prolonged period of peace; albeit a peace often brutally imposed. It appeared that the Somozas were responsible for that peace by suppressing and repressing intra-elite warfare. This was achieved through timely political alliances in combination with personal control of the armed forces which ensured the Somozas a monopoly on state-sponsored violence. But it may be that that truce coincided with rather than was caused by the Somozas' regime. Sandino's insurrection threatened all propertied groups with its potential for radical change, even though that potential went unrealised. The first Somoza, a creation of the US government, eliminated agrarian radicalism as a threat and achieved for his opponents within the elite what they could not do for themselves. Therefore, Sandino's peasant war may have had a dampening effect on intra-elite struggles by rendering them secondary to the threat of mass uprising. The savagely repressed peasant insurrection in El Salvador in 1932, coinciding with the end of Sandino's struggle, may have reinforced a collective class consciousness among propertied groups in Nicaragua, as it certainly did in El Salvador.<sup>15</sup> The elite opposition to the Somoza dynasty must be set alongside the service provided by the dictatorship in maintaining the rule of the propertied classes. This tension, between opposition to dynastic rule and support for many of the practices of the dictatorial regime, made the elite opposition ambiguous and frequently half-hearted. With considerable cause, the Sandinistas would later accuse the propertied classes of seeking to create '*Somocismo sin Somoza*'.

The nature of the Somozas' rule as well as elite opposition to their

governments changed considerably over the course of the forty-three year dynasty, all the while generally reproducing the form of the traditional political division between Liberals and Conservatives.<sup>16</sup> Because Somoza García fashioned the Partido Liberal Nacionalista as the centerpiece and symbol of the regime's political power, which claimed a heritage with the Liberals of the past, the elite opposition tended to identify itself with the Conservatives.<sup>17</sup> These labels bore an even more tenuous relation to ideology or economics than did those of the original parties. Nevertheless, it remained the case that many prominent opposition families claimed Granada as their region of origin, the Chamorro's being the most illustrious example.<sup>18</sup> The critical issue, however, is what, if anything, lay beneath this increasingly stylised dichotomy.

Some have suggested that the divisions within the propertied classes could be explained in terms of size of enterprise and the economic activities in which landlords and capitalists were engaged.<sup>19</sup> While logically compelling, our research suggests that by the 1960s and 1970s elite support or opposition to the regime depended simply on whether and how a family's enterprises were grafted into the economic networks controlled by the ruling family. And these relationships criss-crossed Nicaraguan society, tying medium and large producers of an assortment of exports to the fortunes of the regime. However, not all elite opposition to the regime stemmed so directly from economic self-interest. For many within what often is called the 'bourgeois' opposition to Somoza', *bourgeois* represented an ideological vision rather than their material reality and social experience. They aspired to forge a modern, bourgeois-democratic Nicaragua: a country freed from the anachronistic social and political structures which were associated with the dictatorship.

To a degree, the propertied classes' antagonism to the dynasty grew in relation to the decreasing political skill and increasing ruthlessness of the founder's successors. Even the appearance of sharing political power with the elite opposition ended under the final Somoza, Anastasio Debayle. Possibly of greater significance was the reluctance of this last Somoza to share with the landowners and industrialists not within his close circle of supporters and sycophants the gains from rapid economic growth and the windfalls from disaster relief which followed the earthquake of 1972. Although from the outset of the dictatorship the state was used to expand the Somozas' businesses, this practice became more blatant and extreme under 'Tachito'.<sup>20</sup> Like others, we note the apparently decreasing political skill of the succeeding Somozas. This should be seen as effect rather than cause. Somoza García ruled during a period when extended dictatorships in Central America and the Caribbean were considerably more common than in the 1960s, much less the 1970s. Every country in Central America, except Costa Rica, suffered under brutal and capacious 'strongmen' from the early 1930s to the mid-1940s. Of the four, only Somoza García survived past 1948. To some degree this can be attributed to his

political guile.<sup>21</sup> However, by 1956, when Somoza García fell to an assassin's fire, caudillo-style dictatorships had become an anachronism even in Central America where despotism reigned. By 1967, when Anastasio Somoza Debayle inherited the dynasty upon the death of his brother Luis, the Nicaraguan dynasty had become an anomaly in the Western Hemisphere.<sup>22</sup> Thus, when the Somoza regime collapsed in July 1979, what is significant is not only how its overthrow was achieved, but that it lasted so long.<sup>23</sup>

Part of the explanation for the regime's longevity was the ambiguity of the elite opposition with respect to its demise. In addition to its internal divisions, the elite opposition feared an insurrectionary struggle that would radically transform Nicaraguan society in the process of disposing of the dictator. In particular, while the propertied classes may have viewed the Somocista National Guard as the bulwark of dynastic despotism, that same Guard represented the protection against a post-Somoza regime in which their power and property would be threatened. Faced with the complex task of removing the dictator while maintaining at least in part the repressive apparatus of the state, the elite opposition drew back from armed insurrection, preferring a strategy in which Somoza's departure would be achieved by a change in US policy. To accomplish this, the leading figures of the opposition repeatedly petitioned the US Embassy in Managua and policymakers in Washington to abandon support of the Somoza regime, with singular lack of success. The elite's unwillingness to rupture its ties with Washington became critical to the outcome of the anti-dictatorial struggle. In 1977, the Department of State informed a delegation representing the Nicaraguan business community that US policy remained in support of Somoza. This had the effect of undermining elite opposition. Only after the murder of the leading spokesman of the elite opposition, Pedro Joaquín Chamorro, by Somocista agents did large sectors of the propertied classes seriously consider tolerating, even supporting, armed struggle to end the dynasty. To this end, fractions of the elite formed an alliance with the Frente Sandinista de Liberación Nacional, the group that had established itself as having the only viable strategy to overthrow the dictatorship: armed struggle in defiance of US support for the regime. Unlike in El Salvador and Guatemala, where the propertied classes historically united in defence of their power and privilege, in Nicaragua the propertied classes were traditionally divided. The divisiveness of the Nicaraguan dominant class proved the key to the Sandinista triumph.

The FSLN was founded in 1960 by middle class university students who opposed the Somoza dynasty as well as the tactics of traditional politicians, whether Liberal, Conservative, or Socialist. Inspired by the Cuban Revolution and Sandino, it espoused Che Guevara's *foquista* theory of guerrilla warfare. Following this strategy, the FSLN established guerrilla columns in the mountains of north-central Nicaragua. During this stage of its struggle, which lasted until the middle 1970s, the Sandinistas gained little popular support, nor did they

enjoy military success. However, 1978 proved a turning point. A series of successful and sensationalistic military actions transformed the Sandinistas from a rather insignificant political force to national heroes and heroines. This, in conjunction with events outside the control of the FSLN, such as the assassination of Chamorro, resulted in the formation of an anti-dictatorial alliance between one faction of the Sandinistas (the Terceristas, led by Daniel and Humberto Ortega) and the elite opposition to Somoza Debayle.<sup>24</sup> Partly by virtue of their independence from Washington, and partly because of their successful armed actions, the Sandinistas were hailed by the population as leaders of the struggle against the dictatorship.<sup>25</sup> By 1979 even the propertied classes grudgingly recognised their vanguard role.

After the US government failed to negotiate with Somoza a transition that would exclude the FSLN from power, the Sandinistas and representatives of the propertied classes forged a government that institutionalised the anti-Somoza alliance. The popular following of the Sandinistas and disintegration of the National Guard left the FSLN dominant militarily and forced the United States and the Nicaraguan elite to accept this governing *junta* as a *fait accompli*. In a move that would come back to haunt them, the Sandinistas chose Violeta Chamorro, widow of Pedro Joaquín, as one of the two representatives of the elite opposition on the *junta*. Never robust, the alliance between the Sandinistas and the propertied classes grew increasingly fragile. Successive representatives of the business community resigned from the *junta*, denouncing the Sandinistas as crypto-communists, and allied themselves with the US-funded *contra*.<sup>26</sup> As the alliance unravelled many wealthy Nicaraguans fled to Miami to await the 'liberation' of Nicaragua.<sup>27</sup>

However, a small but significant minority of the propertied classes remained in alliance with the Sandinistas, though inside the Frente.<sup>28</sup> Members of the elite took leading positions in the Sandinista government, particularly visible in their responsibility for the economy and national finance. This, coupled with flexibility and inconsistency in Sandinista economic policy, prompted more hesitant members of the propertied classes to limited cooperation with the Sandinistas on the basis of pragmatic self-interest.<sup>29</sup> Over the course of the 1980s divisions within the propertied classes widened. Instead of achieving unity with the goal of re-establishing its class rule, the traditional ruling groups experienced increased disagreement over how to relate to the Sandinistas. By 1989 they were in such disarray that the US Embassy intervened directly to bring together a slate to oppose the Sandinistas in the elections of February 1991.

The ambiguous attitude of the propertied classes towards the Sandinistas reflected their historical divisions, but also differences in political outlook of factions within the FSLN itself. Propagandistic stereotyping characterised the

FSLN as a dedicated, cohesive revolutionary party intent upon the socialist transformation of Nicaragua.

The classes of modern bourgeois society – proletariat and capitalist – were not fully developed in the Somozas' Nicaragua. This is not to argue that neither existed; but they had yet to become the generalised social form in the 1960s and 1970s. This conditioned the nature of the Sandinista Revolution.

One hundred years before the Sandinista Revolution, a fundamental but quieter revolution transformed class relations in the Nicaraguan countryside. That social change was associated with the expansion of coffee production for export and the institutionalisation of coerced labour systems. Large coffee growers, together with the state, created various forms of unfree labour to force the rural poor to pick their coffee as the beans matured. By 1900 rural people in the coffee zones without property or profession were compelled to register with local officials and to work for large growers during the annual harvest. This system, *marrullación*, ordered class relations in the Departments of Granada, Carazo, and Managua from the rise of coffee in the 1870s through the first two decades of the twentieth century. As coffee production transformed class and property relations the nature of *marrullación* changed. By the 1920s *marrullación* became more private than public. Real, fictive, and coerced indebtedness gradually replaced government fiat in ensuring its continuation.<sup>30</sup> Then the government of Anastasio Somoza García outlawed *marrullación* and over time the system fell into disuse, replaced in the main by social relations based on patronage. Notwithstanding this change, the legacy of coercive class relations continued to characterise the Nicaraguan countryside, but in an extra-official form.

The development of cotton production in the 1950s, concentrated around León and Chinandega, caused a transformation of social relations towards capitalism. In this region cotton growers evicted share-croppers, tenants and debt peons from lands they had occupied for generations.<sup>31</sup> This dispossession resulted in a marked increase in the degree of rural proletarianisation. Nevertheless, traditional forms of dominance, subservience, and relations of reciprocity still played important roles in the social organisation of labour and in class relations in the countryside, even in the regions surrounding León and Chinandega. Repercussions from the changes in the cotton zone were limited in other regions of the country where patriarchal and servile bonds continued to dominate class relations. Men and women who migrated seasonally to harvest cotton, coffee and sugar frequently depended upon relations of patronage within their villages to give them access to land to plant their subsistence corn and beans. While the increasing importance of cotton had major consequences for the demand for labour, it did not bring about a radical restructuring of social relations in the Pacific and Central regions of Nicaragua, nor did it cause a fundamental rupture



with servile labour systems. During the Somoza regimes rural production became increasingly monetised, as landlords and capitalists enjoyed a freer hand in expelling labour from the land. However, the Somozas did not fundamentally alter the social control of the landlord class over rural society, despite the regime's conflicts with elements of the propertied elite. This characterisation does not deny that capitalist social relations were on the rise. Our major point, and it is a controversial one, is that the buying and selling of the means of production and of labour power were not the predominant social forms before the Sandinista Revolution.<sup>32</sup>

Before 1979 Nicaraguan society was predominately agrarian and the complexities and contradictions inherent in the emergence of capitalist agriculture were rife. Counting risks implied by generalisation, we suggest that capitalist farmers were few in number and relied on systems of labour that combined and juxtaposed free wage labour with servile, non-capitalist relations. Seasonal harvest workers tended to be in capitalist wage relations while permanent labourers were ensconced within ties of patronage. In the agro-export sector, where capitalism was more highly developed, producers relied on large numbers of temporary wage labourers to harvest cotton, coffee and sugar. Among these were Nicaragua's rural proletarians. But even here, most migrant workers returned to their villages after the round of harvests to plant small parcels of land, more often than not acquired outside of market mechanisms. They were impoverished but not separated from access to land. They might be called 'semi-proletarians'. We do not use this term, however, because it is associated with viewing workers and social relations in isolation from class relations in the society as a whole. Prime examples of capitalist enterprises were the large modern cotton, sugar, and cattle estates of the Somozas and the Nicaragua Sugar Estates Ltd. (Ingenio San Antonio) owned by leading opponents of the regime. Labour relations and class consciousness even in these enterprises involved the amalgam of free wage labour and patron-client ties.<sup>33</sup>

Medium sized producers, of whom there were relatively many in Nicaragua, tended to favour personal ties over the market in labour power to acquire their work force.<sup>34</sup> They were commodity producers, but often their access to land, agricultural inputs, industrial processing, finance, a market for their products, as well as to workers was mediated through multiple relations of patronage which undermined the class structures of rural society.

No clear separation existed between capitalist and non-capitalist sectors in the Nicaraguan economy, nor between bourgeois and traditional landowners within the Nicaraguan agrarian elite at the end of the Somoza era. Cotton, sugar and rice production were more capitalist, coffee and cattle tended to be less so, the production of corn and beans rarely ever. Nevertheless, it is artificial to construct a political or class typology of the propertied rural elite based on product,

geography, political preference, or size of landholding. Neither is it fruitful to pursue the line of argument that the more, or the less, capitalist members of the elite supported, or opposed, the regime. The politics of the regime and the process of the emergence of capitalism in Nicaragua were too complex to allow for such generalisations. The Somoza dynasty created conditions which promoted the development of capitalism at the same time as it rested on a social fabric of patron-client relations which were woven into all layers of society. These relations hindered the development of generalised commodity production.

The importance of servile labour relations prior to the overthrow of the Somoza dynasty helps to explain the revolutionary nature of the Sandinista decade. While many writers have stressed the changes in rural social relations under the Sandinistas, the importance of the revolution's elimination of class domination in the countryside has been insufficiently appreciated.<sup>35</sup> The Sandinista agrarian reform, more by accident than design, transformed the peasantry into a class of small farmers.

### The Difference the Revolution Made

A major and irreversible revolution transformed Nicaragua during the rule of the Sandinistas, though largely outside its control; indeed, to an extent it occurred contrary to the stated goals of the Dirección Nacional (National Directorate). At least two inter-related revolutionary changes occurred in Nicaragua in the 1980s which permanently altered society: the historically divided dominant classes suffered a major weakening of their economic and political power, such that for the foreseeable future it would be doubtful that they could assert hegemony over the country; and in the countryside social relations that subordinated the peasantry were largely destroyed, creating a class of small farmers. Neither of these fundamental changes conformed closely to the design of the leadership of the FSLN; perhaps the first to a degree, but certainly not the second.

The hypothesis that the Sandinistas planned from the outset to dispossess the capitalists and landlords was one of the many myths of the Nicaraguan revolution whose tenacity derived from its emotional appeal to both the right and the left, and from taking at face value the rhetoric employed by the Sandinista leadership.<sup>36</sup> The political right inside and outside the country sought a Nicaragua in which the dominant classes would be free to assert their will over workers and peasants. Historically central to this reactionary social order had been US domination of the country. In this scheme of things it would be inconceivable that the anti-Americanism of the Sandinistas could imply anything but uncompromising hostility to the propertied classes and to capitalism itself. For the left, particularly outside Nicaragua, all tensions between the Sandinista

government and the propertied classes gave evidence of the radical course of the revolution.

This interpretation equated Sandinista hostility towards the propertied classes with a commitment to revolutionary socialism. Hostility certainly existed, and intensified through the 1980s. But it did not derive from a Marxist programme – though at times some Sandinista leaders articulated their hostility in such terms. Rather, it reflected the Sandinistas' correct observation that members of the propertied classes were especially prone to endorse the campaign of counter-revolution. In the eyes of the Sandinistas those who supported this campaign committed treason, and the traitors could be found in disproportionate numbers among the capitalists and landlords. Their crime was not exploitation of workers and peasants, but rather betrayal of the fatherland. For exploitation they could be forgiven, even aided in carrying it out, if done in moderation and in the interest of the revolution. For the latter offence there could be no forgiveness. Thus, the government's threat to private property was not economically motivated, but politically. In place of the communist slogan, 'expropriate the expropriators', the leadership of the FSLN demanded, 'expropriate the traitors'. In the Nicaraguan revolution all patriots found welcome within the coalition of the 'majority', regardless of class; and all traitors were excluded, regardless of class; in all cases the welcome was conditional upon accepting the leadership of the National Directorate.

Sandinista economic strategy, in so far as a coherent one existed, involved a populist programme in which the state would serve as a vehicle for redistributing income and guide the accumulation process. The government employed redistributive measures common to populist regimes throughout Latin America in the post-World War II period. One of the more radical measures was a decree effectively abolishing urban and rural rents. And in a step typical of populist programmes, in 1980 the government introduced price controls over a range of basic consumption commodities, which kept the urban cost of living low. While these subsidies gained the government a degree of urban support, the programme had to be abandoned in the late 1980s when its budgetary cost became unsustainable. Associated with the programme of food subsidies to consumers were compulsory crop sales by farmers to the state grain procurement agency ENABAS (Empresa Nicaragüense de Alimentos Básicos), which created widespread discontent in the countryside.<sup>57</sup> Macroeconomic policy also involved classic measures of populist governments: deficit spending, financed by foreign assistance in the early 1980s, and liberal credit expansion.

The other part of the economic strategy, the state as the 'motor' of accumulation, never materialised. State enterprises overall ran a deficit, so instead of producing a fund for investment they drained the treasury. What investment occurred derived from external assistance or commercial bank

borrowing. Since these investments had long periods of gestation or proved in practice unprofitable, the state lacked the means of asserting a leading role in the accumulation process. At the same time, the government sought to stimulate private investment within a 'mixed economy' based upon the 'logic of the majority': the private sector would be allowed to make profits, but within the constraint that profitability served the interests of the majority and the revolutionary process.<sup>58</sup> In effect, the constraint on private sector behaviour was that it contribute to the war against the *contra*, following the principle of 'expropriate the traitors', and reward the patriots, regardless of class.

The decline in the economic power of the propertied classes resulted not from the growth of the state, but rather the other way around. While the Sandinistas avoided defining the revolution in terms of classes, the capitalists and landlords clearly saw it in these terms. Encouraged by the US government, they set about economic sabotage in varying degrees of overtness. Hundreds abandoned their estates and factories for Miami, to become active supporters of the *contra*. Others remained in Nicaragua, conducting their business to the minimal degree that would avoid confiscation. In consequence, the large scale private sector withered, not because of government action, but as part of a conscious effort to aid the counter-revolution. The rise in importance of the state did not represent a premeditated socialist programme so much as the necessary response to counter-revolutionary efforts of the propertied classes. The Sandinista government did implement a number of confiscations of property. With the exception of the seizures of the properties of Somocistas immediately following the triumph of the revolution, most confiscations involved making a virtue of necessity for the lands and factories had been previously abandoned by their owners. The decline in the economic power of the propertied classes, while inherent in the revolutionary process, proceeded in a piecemeal and chaotic manner, resulting from events beyond the power of the government to effect.

Similarly, the revolutionary transformation of social relations in the countryside resulted from forces beyond government control and often in a form contrary to the stated intentions of the Sandinista leadership. It was the revolution within the Revolution. The dominant, semi-official Sandinista analysis of the rural class structure considered Nicaragua a country of impoverished landless labourers who were rural proletarians or semi-proletarians. This reflected the view that the expansion of coffee production in the late nineteenth and early twentieth centuries initiated the capitalist transformation of Nicaragua, allegedly completed by the cotton boom of the 1950s and 1960s.<sup>59</sup> Derivative from this analysis, the Sandinistas argued that the primary demand of the rural poor was not land but improved wages and working conditions. In keeping with this view, agrarian policy until 1985 stressed the creation of state farms and resisted the distribution of land into small holdings.

Maintaining large state farms appealed to different groups within the Frente for other reasons. The Sandinista government opposed the dismantling of large estates in the belief that they were efficient production units. Dismembering them was viewed as economically irrational, for it would lower productivity and output. Policymakers resisted cooperativisation of these enterprises for much the same reason. Opposition to distributing land also reflected various class perspectives within and allied to the Frente. The propertied allies of the Frente opposed giving land to the peasantry, more at ease with maintaining wage relations for the class they traditionally repressed. State-owned agrarian enterprises appeared to them less threatening in terms of political control. They also argued that distribution of land would threaten agro-export production, because without landlessness fewer small producers would seek wage labour in the seasonal harvests. Officials in the Ministry of Agriculture (MIDINRA) were sympathetic with this view.<sup>40</sup> Sandinista theoreticians, some drawing on a classical socialist critique, argued that the formation of a class of independent farmers would lead inevitably to social differentiation in the countryside and to the re-creation of a rural bourgeoisie and agrarian capitalism. In addition they maintained that rural small producers were inherently reactionary and, like the propertied classes (though from the opposite perspective), feared a large group of small farmers independent of the state. As the elections of 1990 were to prove, there appeared to be some truth to this last view. But whatever were the merits of these arguments, the analysis that most of the rural population had a working class perspective and did not demand land would be refuted by events.

Although a third of the rural population was landless before 1979, in the sense that they did not enjoy ownership, it did not follow that they were alienated from the land and proletarianised.<sup>41</sup> Nor did their class consciousness derive directly from the relations of production in which they participated during the harvest season. As we have argued, many 'landless' households obtained access to land through traditional forms of tenancy, often combined with labouring for wages in cotton, coffee, or sugar harvests. The primary access to land of these households was not mediated through wages. Whether or not most of the monetary income, or most of the working time, of these families derived from wages was not deterministic either to their class or their consciousness. More critical to their collective aspirations was that they did not identify as proletarians, alienated from the land. Their struggle was to expand their access to land, with the hope of one day owning a small farm.<sup>42</sup>

Consistent with their interpretation of Nicaraguan history, the Sandinistas implemented a 'statist' agrarian policy from 1979 to 1984. Immediately after the triumph over Somoza, the government nationalised the ruling family's properties and those of its supporters, creating state farms. These properties constituted the heart of the *Área de Propiedad del Pueblo*, the state sector which included some of the best farm land in the country as well as industrial complexes for

processing and exporting cotton, coffee, sugar, and beef.

Protests for land erupted almost immediately after the government announced the formation of state farms. Peasant support for the Sandinistas prior to the defeat of Somoza, such as it was, rested on the promise of land. Change in the form of ownership, from private property associated with the Somocista regime to state owned enterprises, did not satisfy peasants' demands. In a concession to the protesters, in 1980 and 1981 the government made land available for short term rental to groups that agreed to work within production cooperatives. This period marked the genesis of mistrust between the peasantry and the Sandinistas.<sup>43</sup>

In 1981 the government decreed an Agrarian Reform law that was vague and contradictory, reflecting the bitter conflicts that emerged in the process of developing agrarian policy.<sup>44</sup> The law provided guarantees for private property so long as land was efficiently utilised, with no limit to size. Only land not worked productively was subject to expropriation, and then only if the entire enterprise was larger than specified sizes which varied by region. Perhaps the most radical provision of agrarian policy was that which abolished feudal or traditional tenure relations.<sup>45</sup> What the decree meant for the future of land tenure and class relations could not be determined from the letter of the law but would depend on how it was interpreted and implemented. Although, since its creation in 1981, UNAG (Unión Nacional de Agricultores y Ganaderos), the Sandinista organisation of small and medium farmers and ranchers, pressed for the distribution of land to individual families, through 1985 the government continued to favour state farms over any form of land distribution. Despite the disjuncture between their alleged inherent efficiency and the reality of widespread decapitalisation, the Sandinistas refrained from expropriating large private estates. Between 1981 and 1984 relatively little land was confiscated and the pace of redistribution remained slow. Peasant beneficiaries of the reform were organised, often against their will, into production cooperatives. If a cooperative was large and considered to be important it was administered directly by an official of MIDINRA.<sup>46</sup>

Table 1 shows that between 1978 and the end of 1982 control over land by large private producers decreased significantly. For the most part this decrease was a result of the initial confiscation of the Somocistas' land in 1979. These properties, almost one quarter of the nation's agricultural land, became the state farms. Small producers' control over land declined slightly from 1978 to 1982, reflecting government policy of encouraging or imposing cooperative over individual forms of property. Small producers' access to land, credit, and technical assistance became contingent upon cooperativisation.

**TABLE 1**  
**Land Tenure in Nicaragua**  
**Percentage Distribution of Land: 1978, 1982 and 1988**

FORM OF TENURE <sup>1</sup>	1978	1982	1988
Large producers (over 200 Mzs.) <sup>2</sup>	52	29	15
Medium Producers (50-200 Mzs.)	30	30	17
Small Producers (1-49 Mzs.) <sup>3</sup>	18	16	37
Production Cooperatives <sup>4</sup>	-	2	11
State Farms	-	23	12
Abandoned <sup>5</sup>	-	-	6
Communal <sup>6</sup>	-	-	2

*Notes:*

<sup>1</sup>There were an estimated 8 million manzanas of arable land distributed in the three years.

<sup>2</sup>Manzana - the traditional measurement of land in Nicaragua, 1 manzana = 1.72 acres = 7 hectares.

<sup>3</sup>For 1982 and 1988 the figure includes the traditional 'peasant' sector that had access to land prior to 1979, beneficiaries of the Sandinista agrarian reform whose land was incorporated into cooperatives that legally were associations of individual producers, i.e. Cooperativos de Crédito y Servicios (CCS), Colectivos de Trabajo (CT) and Cooperativos de Surco Muerto (CSM), peasants who received titles to land they claimed prior to 1979 ('*Titulación Especial*'), and lands distributed to individual peasant households.

<sup>4</sup>Cooperativas Agrícolas Sandinistas (CAS). Although legally in these cooperatives land was farmed collectively, most cooperative land was not worked in common.

<sup>5</sup>Most abandoned land was in the war zone.

<sup>6</sup>Land titles to *Comunidades Indígenas* on the Atlantic Coast.

*Sources:*

Computed from data presented in *La reforma agraria en Nicaragua 1979-1989: cifras y referencias documentales* (Managua: CIERA, 1989), vol. IX, Tables 1-23, pp. 39-61. See also Elizabeth Dore, 'The Great Grain Dilemma: Peasants and State Policy in Revolutionary Nicaragua', *Peasant Studies*, vol. 17, no. 2 (Winter 1990), pp. 96-120.

During 1979-84, the period referred to as 'Phase One' of the agrarian reform, government policy towards smallholders involved attempts to perfect the mechanisms whereby farmers were compelled to sell their products to ENABAS.<sup>47</sup>

In the first phase of the agrarian reform the Sandinistas emphasised development of the forces of production, or 'modernisation', over transformation of social relations. Conditions under which rural workers were united with the means of production were not fundamentally altered. Because of this, Sandinista agrarian and commercial policy reproduced a formal similarity to what the Sandinistas' called 'the *sonorista* economic model', characterised as state promotion of the agro-export sector with food production for internal consumption assigned low priority. In the early years of the revolution the Sandinista government launched with great fanfare the development of large agro-export projects which accounted for the bulk of state spending on agriculture (much of it financed by foreign borrowing). By the late 1980s almost all of these enterprises had fallen far short of their promise, except for the investment funds they absorbed.<sup>48</sup>

Sandinista agrarian policy changed dramatically in 1985. The change developed less out of a process of theoretical or analytical revision than from necessity. An agricultural sector based on large estates became impossible to sustain. The war against the *contra* so severely strained the national budget that the government could no longer afford to subsidise the state farms. More important, however, were the political repercussions of the state farm policy. By 1984 it became apparent that many peasants in the war zones supported the *contra*. In an effort to win the political allegiance of the rural population, the Sandinistas yielded to pressure from UNAG to distribute land. Acreage on state farms and on abandoned or decapitalised private estates passed to cooperatives and, for the first time since the triumph of the revolution, to individual households. Between 1982 and 1988 the proportion of the nation's agricultural and grazing land held by state farms declined from 23 to 12 per cent. Land on large private estates declined from 29 to 15 per cent, while the proportion of land on medium sized farms dropped from 30 to 17 per cent (Table 1). In addition to redistributing land, from 1985 through 1989 MIDINRA embarked on an extensive programme in which peasants received title to land they cultivated. By 1988, 18 per cent of the country's farm land had been titled under this programme (Table 2).

The effect of this policy reversal was to alter fundamentally the class structure in a manner contrary to the original intentions of the FSLN leadership. In response to the growing contradictions caused by a policy of fostering large scale agriculture, the Sandinistas presided over the creation of a large class of small rural proprietors. In 1978, smallholders accounted for eighteen per cent

## Effect of Sandinista Agrarian Reform on Small Producers

'Peasant'/Small Producer Households	No.	%
1 Small producer households <sup>1</sup> (as percentage of small producer households)	160,000	100
A Households in need of land in 1978 <sup>2</sup>	120,000	75
B Households receiving land under SAR <sup>3</sup>	65,000	41
C Households acquiring title to land they occupied/cultivated prior to SAR	34,000	21
D Households gaining land (B+C)	99,000	62
Arable Land (manzanas) <sup>4</sup>		
II Land in use for grazing and agriculture <sup>5</sup> (as percentage of arable land)	8,000,000	100
A Acquired by small producer households through SAR (1979-1988)	1,100,000	14
B Titled to small producer households that previously occupied/cultivated same land (1979-1988)	1,479,000	18
C 'Land to the tiller' through SAR (A+B)	2,579,000	32

## Notes:

These data represent distribution and tiling of land through 1988. The Sandinistas distributed and titled additional land during the election campaign prior to the elections of February 1990; and prior to the inauguration of the Chamorro government in April 1990.

<sup>1</sup> Official estimate by MIDINRA (Ministry of Agrarian Reform in the Sandinista Government) of number of 'peasant households'. Estimate does not vary from 1978 to 1988.

<sup>2</sup> 'in need of' - obviously a subjective judgement - reflects policies and pronouncements of MIDINRA.

<sup>3</sup> SAR = Sandinista Agrarian Reform. Direct access to land in all cooperative forms and lands distributed to individual households.

<sup>4</sup> Manzana - the traditional measurement of land in Nicaragua. 1 manzana = 1.72 acres = 0.7 hectares.

<sup>5</sup> Official estimate by MIDINRA.

Sources: Computed from data presented in *La reforma agraria en Nicaragua, 1979-1989: cifras y referencias documentales* (Managua: CIERA, 1989), vol. IX, Tables 2-23, pp. 40-61; and Ivan Gutiérrez, 'La política de tierras de la reforma agraria en Nicaragua', in Raúl Ruben and Jan P. de Groot, eds., *El debate sobre la reforma agraria en Nicaragua* (Managua: INIES, 1989), pp. 113-128.

of the nation's arable land; by the end of the 1980s small farmers cultivated almost half of the land. Official figures show the small farmer sector controlling 37 per cent of the arable land in 1988, but the true proportion was higher. Most of the land assigned to production cooperatives in practice was worked as household property. Thus one should add to the small farmer category much of the 11 per cent of land held by cooperatives (Table 1). Further, under the Sandinista agrarian reform most rural families gained access to land. Between 1979 and 1988 sixty-two per cent of small producers either acquired new land or titles to land they already worked. And 32 per cent of all arable land had been given to the tillers of the soil (Table 2).

In summary, by the end of the 1980s Nicaragua was a country radically transformed from what it had been a decade before. The control of land by the old dominant classes had drastically declined. By abandoning their property and manoeuvring to subvert the government they forfeited the measure of economic power the Sandinistas had been willing to grant them. At the same time, a new political force emerged: small farmers, freed from the servile and patronal relations of production that had held them in subservience before the revolution. These changes created the potential for a major political transformation, which would find expression after the electoral defeat of the Sandinistas in February 1990.

### The Ideology of the Sandinistas

Central to misunderstanding the Sandinista movement and the government it presided over was the labelling of the FSLN as 'Marxist' or, even more obfuscating, 'Marxist-Leninist'. By the early 1980s this characterisation of the Sandinistas achieved the respectability of conventional wisdom. It represented the keystone of the Reagan administration's Central America policy, finding its way into a World Bank publication,<sup>50</sup> even gaining respectability through 'verification' by academic research.<sup>51</sup> Prior to considering whether the FSLN was in practice Marxist or Leninist (or some other variation of revolutionary socialism), it is necessary to clarify, from the point of view of US ruling circles, the implication of being so labelled.

Whatever Marxism and Leninism means to socialists, in the anti-communist culture of US policymakers it has a clear and quasi-religious connotation, standing in relation to bourgeois democratic values as the antichrist does to Christianity. In this metaphysical usage of the term, already anachronistic in the 1990s, Marxism-Leninism represented a totalitarian philosophy, with its practitioners purposefully imposing an ideology and political system destructive of freedom and inherently aggressive, intent on subjugating the world. Within

the confines of this anti-communist myth-system, the possibility of a Marxist government in any way serving the interests of the populace was ruled out by definition. This anti-rational world view provided an all-encompassing interpretation of regimes, enabling their actions to be revealed as uniformly nefarious, even before they occurred.<sup>51</sup>

The Reagan and Bush administrations applied this metaphysics of political analysis to Nicaragua with a vengeance, such that any rational consideration of the nature of the Sandinista regime proved impossible. Analysis of the FSLN was made no easier by the supporters of the Sandinistas accepting this labelling. For supporters, identifying Nicaragua as Marxist, Marxist-Leninist, socialist, etc., lent to the regime a mystique that served to cancel or at least defer criticism of Sandinista political practice. Both anti-communist enemies and pro-socialist friends of the regime could apply the same metaphysics to interpret events within a preconceived paradigm of Sandinista actions, past, present, and future.

Soon after the revolution it became clear that the leadership of the FSLN had an obsessive aversion to criticism of any type, by supporters or opponents at home or abroad. To opponents of the regime, this aversion provided evidence of the communist totalitarian tendencies within the FSLN; for the regime's supporters, it demonstrated that the Sandinistas fostered a new and more profound form of popular democracy in which the bourgeois forms of freedom and participation did not apply. Both enemies and supporters rejected the obvious explanation for Sandinista intolerance of dissent: that the FSLN was a hierarchical military movement, preoccupied in institutionalising its rule in a country with no tradition of democracy. Such an explanation would for both sides have trivialised the Nicaraguan revolution, robbing it of both its demonic totalitarianism and its romantic millenarianism.

A reasonably detached and analytical treatment of the Sandinistas reveals that the movement that overthrew Somoza was led by a polyglot group of men and women with little clear plan for what would occur once the dictatorship had been defeated. In so far as there was a unifying ideology it involved the fervent conviction that the New Nicaragua would be free from the domination of the United States, and the economy of the country would be reorganised to provide more benefit to the lower classes. The vaguely-articulated commitment to populist economic reform came to be epitomised in an oft-repeated Sandinista slogan, 'the logic of the majority'. The analysis went as follows. Under Somoza, society and economic life assumed its form in response to the repressive power of the capitalists ('the logic of the minority'). After July 1979, social and economic power passed to the people, led by the National Directorate of the FSLN. Then society increasingly conformed to the 'logic of the majority', which was synonymous with socialism.<sup>52</sup> Six months after the electoral defeat of the Sandinistas few if any defended this essentially populist characterisation of the

Nicaraguan revolution: certainly not the leadership of the FSLN.<sup>53</sup> But for eleven years it epitomised Sandinista political analysis. Its vagueness was not accidental, nor did it reflect a cynical attempt to provide the rhetoric of change without the action. Rather, ambiguity in this case derived from the nature of the struggle to overthrow the dictatorship.

This polemical dichotomy between the 'majority' and the 'minority' reflected, on the one hand, the exceptional nature of the Sandinista regime and, on the other, an ahistorical and eclectic interpretation of social conflict. The Sandinista regime was 'exceptional' in that it came to power on the crest of an anti-dictatorial insurrection and had no solid class base. The ideological dichotomy, 'majority-minority', was ahistorical, in that it contained no class analysis. The vague term 'majority' obscured the social divisions characteristic of a particular historical moment and social formation. The FSLN applied a quantitative concept (majority) to a process in which relations of production, qualitative differences, represented the basis of conflict. The eclecticism of the concept, the 'majority', derived from its failure to draw the distinction between exploitation and repression, which is central to understanding moments of social change. While all political analysis involves abstractions, Sandinista political ideology based itself upon an invalid abstraction: that the New Nicaragua could be constructed on the basis of numbers.

Particularly invalid was the abstraction from the division of society between exploiters and exploited.<sup>54</sup> Exploited classes necessarily suffer repression to some degree as part of the appropriation of their surplus labour by an exploiting class. In Nicaragua non-exploited groups, the urban petty bourgeoisie, middle-sized farmers, even portions of the capitalist class, suffered repression by the Somoza regime. Because of this repression, commonly taking the form of denial of basic bourgeois freedoms, they supported and joined the anti-dictatorial alliance.

This common cause that found expression in the insurrectionary struggle itself did not continue in the post-insurrectionary period. Each group that had suffered under the rule of Anastasio Somoza García sought changes after the overthrow of the dictator consistent with its particular relations of production. Workers wanted better wages and working conditions. The rural poor demanded land. The urban petty bourgeoisie hoped for the opportunity to maintain and extend its privileges. And capitalists and landlords wanted more favourable access to markets, finance, and, above all, state power. These various demands proved contradictory, even in antagonistic conflict, within the post-triumph coalition. In effect, the Somoza dictatorship obscured class conflicts within Nicaraguan society by the democratic character of the regime's social and economic repression, which it visited upon the majority.

We are not arguing that Sandinista populism had no real basis. On the contrary, during the insurrection there was an objective foundation for the FSLN's characterisation of the conflict as one between the minority and the majority. The nature of the last Somoza regime created this dichotomy because of its shrinking support and general denial of bourgeois freedoms. The dictatorship forged a vast majority dedicated to a common cause: the end of tyranny. Once the insurrection triumphed, this division, born of a narrowly-based dictatorship, lost its historical relevance; indeed, it no longer existed. After July 1979 the minority/majority dichotomy became a fiction, polemically maintained to provide the ideological justification and legitimacy of an essentially populist programme.

Marx coined the term 'exceptional regime' to refer to the Third Empire of Louis Napoleon, which, he argued, represented not the dominant classes in France, but rather the rural and urban petty bourgeoisie.<sup>55</sup> The Sandinista years were even more exceptional: for the power of the National Directorate derived from no coherent class base. Because of their loose and ambiguous mass support, exceptional regimes tend not to make history, but rather to be swept along by the historic wave of social forces that bring them to power. So it was with the FSLN: in insurrection it altered the course of Nicaraguan history or, at least, served as a catalyst for changes long overdue; in power it reacted when confronted by, rather than itself initiating, change. The Sandinista regime lacked a coherent political programme, not because of insufficient imagination or ideological commitment, but because it lacked a coherent political base. As such, the reactive and vacillating nature of the regime was not a failure, but a reflection of material conditions in Nicaragua. The organisation and class consciousness of the working class and the peasantry remained weak, the former because of incipient capitalist development, the latter by virtue of social relations in the countryside.

The absence of a political base resulted in political incoherence and vacillating leadership. Visions of post-triumph Nicaragua abounded within the National Directorate: a social democratic 'mixed economy' in which private capital would play a secondary role to an activist state; a Proudhonist socialism of small farmers, the urban petty bourgeoisie and worker-controlled factories; and an idealised Cuban model in which the dominant classes were dispossessed through state ownership. Had any one of these found support from an organised and politically coherent group (the role played by the Communist Party of Cuba in that country's revolution), it might have been imposed as the post-insurrection outcome, pushing aside the other visions of the New Nicaragua. Debate over the future of the revolution rarely reached the public. The Frente Sandinista was essentially a military organisation, and ruled accordingly in a hierarchical and anti-participatory manner. As with many other populist military regimes, nationalism served as its legitimating ideology. To label it Marxist or socialist

distorted the nature of the movement beyond recognition.

In the 1970s the term 'national liberation struggle' came to be used loosely on the left to refer to almost any nationalist insurrectionary movement in underdeveloped countries. This loose usage was not completely wrong, because there is a sense in which all underdeveloped countries suffer from external domination because of their economic and political weakness. However, insurrectionary movements in many if not most of these countries would more precisely be identified as 'anti-dictatorial' or 'national democratic', for they sought liberation from an internal oppressor, not an external one. In El Salvador, for example, the struggle launched in the late 1970s began as a conflict to overthrow a landed oligarchy, with the major role of the United States coming only after the left appeared close to success. In contrast the insurrection led by the Sandinistas represented a struggle for national liberation in an almost pure form. The close identification of the Somoza family with US political interests meant that the anti-dictatorial struggle could not be separated from a struggle to free the country from external domination.

The repeated failures of the propertied classes' opposition to the Somozas resulted from trying to separate despotism from external domination. Because of the National Guard's elitist organisation and loyalty to a family rather than to the dominant classes as a whole, this army ruled over Nicaragua much like an occupying force. The first Somoza expanded his power through political skill and ruthlessness, perhaps beyond the intent of his patrons in Washington. And while he established a certain autonomy from his erstwhile masters, the association of the Somoza dynasty with US interests remained close and paramount in the consciousness of Nicaraguans.

The emphasis on national identity and independence was a natural one for the peasants, workers, and petty-bourgeoisie of Nicaragua; and it defined the radical and populist character of the FSLN. The Frente's stress on national aspirations also fitted well with the class structure of the country, for Nicaragua possessed neither a substantial working class on which to base a socialist ideology, nor a coherent peasant movement, which in El Salvador gave the struggle of the FMLN (Farabundo Martí National Liberation Front) its radical class character. However, the Sandinistas' emphasis on nationalism generated contradictory results for the population's participation in the revolutionary process. During the struggle to overthrow the dictatorship, nationalism served as a politicising ideology, the glue that held together a broad and disparate coalition. It provided, in effect, the abstract goals to justify the great sacrifices demanded of the population during a savage and bloody conflict that claimed tens of thousands of lives.<sup>56</sup> Once the dictator fled, and an armed movement took power that was uncompromisingly dedicated to the independence of Nicaragua from US domination, the nationalist goals had been achieved. At that moment of triumph,

July 1979, the FSLN found itself in a situation somewhat analogous to that of Sandino in 1932. The externally-supported agents of Nicaragua's oppression had withdrawn in defeat: the US Marines in 1933, and their protégés, the National Guard, 45 years later. Sandino ceased his struggle with withdrawal of the Marines, but within a year his assassination and the continuation of US domination in different form undid the work of his peasant army. From this experience the FSLN took the lesson that the elimination of US domination required not only the overthrow of the Somoza dynasty, but also a subsequent period in which the nationalist movement could consolidate its victory.

The anti-imperialist and anti-dictatorial ideology which guided the armed struggle to victory over Somoza proved insufficient to the task of consolidating that victory. Once the Somoza regime fell, conflicting class-based demands assumed primacy over the nationalist enthusiasm that had held together the anti-dictatorial coalition. Workers sought better wages and improved conditions, while the capitalists demanded a return to labour discipline so that they might re-establish profitability. In the countryside, landless and land-poor families demanded land, while the large and medium-sized producers pressed for guarantees of private property and protection from land invasions. Rather than seek to resolve these hostile claims, the FSLN, which dominated the new government, pursued a vacillating policy in which it sought to maintain the anti-dictatorial coalition intact. To achieve this, it continued the rhetoric of nationalism, seeking to diffuse the growing social tensions with the euphemistic language of 'majority' and 'minority', and, increasingly, the parallel dichotomy, 'patriots' and 'traitors'.

There was a strict sense in which this latter dichotomy applied to the post-triumph period. At the outset of the counter-revolution, with the Reagan administration funding the *contra*, those that opposed the new government included supporters of the *ancien régime* and/or those in the direct pay of an external power. But as the new conflict intensified and stretched through the 1980s, the patriot/traitor dichotomy wore increasingly thin, rhetorically devalued through excessive use. The argument of the FSLN that the anti-*contra* war represented the continuation of the anti-Somoza struggle was in large part true. Nevertheless, this all-purpose characterisation of the conflict became less compelling as economic decline set in. The protracted nature of US-funded aggression placed the burden upon the Sandinista leadership to demonstrate that it could move beyond a nationalist victory and provide a coherent vision and a solid economic base for the New Nicaragua. This challenge the National Directorate was unable to meet, for it attempted to manage the *contra* conflict with the ideology of the anti-Somoza war. Nicaraguans fought to victory under that banner once; but after the fall of Somoza and the rout of the *contra*, the working class and the peasantry sought new goals, democratic participation and economic improvement.

While it previously served to inspire people to action, after 1979 nationalist ideology functioned as a substitute for political debate. Indeed, it was implemented to suppress that debate. Perhaps because of the divisions within its own ranks, the National Directorate chose to depoliticise the population through the substitution of nationalism for the class conflict that was inherent in the process of political modernisation. The Somoza dictatorship long delayed this modernisation, such that pent-up pressure for social change and political participation burst forth under Sandinista rule. The unifying nationalist ideology became a justification for a chaotic status quo in which all groups, except the Sandinista bureaucracy, seemed to lose. An irony of the Sandinista movement was that it liberated the Nicaraguan people, but in power proved an obstacle to the class struggles that might fulfill the aspirations of the workers and peasants of Nicaragua. Of course, the unrelenting opposition of the US government to the Sandinistas would, most likely, have sabotaged whatever political programme they attempted to implement.

Rightwing, anti-communist critics of the Sandinistas interpreted the ideologically repressive role of nationalist rhetoric as evidence of the Sandinistas' Marxist-Leninist nature asserting itself. Friends of the regime defended the rhetoric for the same reason. The former railed against the totalitarianism they had predicted and hoped for; the latter saw nationalist language as the essence of socialist revolution in Nicaragua. Both critics and friends held in common the belief that 'anti-Americanism' implied a commitment to socialist revolution. Sandinista practice was quite different: nationalist ideology functioned to banish class considerations from politics. After the defeat of Somoza all important issues of public policy, especially those of the economic programme, became issues of intense class conflict. But the National Directorate's continued emphasis on nationalism structured public debate, in as far as it occurred, along increasingly banal and trivial lines, such that civic life became progressively depoliticised.

To maintain the political mobilisation necessary for the war against the *contra* while neutralising political life, the Sandinista leadership manifested more and more the anti-democratic tendencies so eagerly anticipated by its reactionary critics. The most blatant form taken by this tendency came with the slogan of the early 1980s, 'The National Directorate orders!' (*La Dirección Nacional Ordena*), to which the implicit response was obvious. However, if authoritarianism represented the form of national politics, ideological anarchy was the essence. Far from imposing its political authority on the country, the National Directorate could not even do so on itself. The appearance of politics was unity, with overt criticism banned down to the lowest level of the Sandinista movement and the civil service, with the two largely overlapping. In practice, however, ministries pursued flagrantly contradictory policies, and policies within ministries cancelled each other out. Very much consistent with the implicit



eclecticism of nationalism and populism the discipline the National Directorate imposed on militants of its movement was less ideological than organisational. But that was obfuscated by the chaos and lack of leadership that the Directorate never admitted.

The essentially apolitical character of the Sandinista movement resulted in the depoliticising of civic life. To characterise as apolitical a movement that achieved an epoch-making victory in Latin America – the defeat of the Somoza dynasty and thereby of US imperialism itself – may seem bizarre. But once this hypothesis is entertained, events of the 1980s in Nicaragua come into focus. While nationalism is a political doctrine, by itself it offers no programme for social or economic organisation of a country; or, alternatively, it is consistent with all political programmes to a degree. If pursued single-mindedly as the unifying ideology, as it was in Nicaragua under the Sandinistas, it precludes discussion of other political themes that would draw out the antagonisms within the ‘majority’, differences which would result in undermining nationalism as a unifying force.

The Sandinista movement evoked nationalism with single-minded obsession because it lacked the class base which would have given it a more complex yet focused ideological outlook. In the absence of the political base to resolve the ideological competition over the outcome of the revolution, the leadership of the FSLN pursued a chaotic collection of conflicting goals, in which policy was debated but rarely resolved. In consequence, the National Directorate never effectively controlled the course of events. It was swept along in a revolutionary process increasingly defined by and responding to external counter-revolutionary aggression. To assert control over the revolutionary process, the Sandinista Party needed to give leadership and direction to the struggle of workers and peasants against the propertied classes; or failing that, to allow these groups to forge autonomous and effective organisations. But effective mass organisations might have resulted in irreversible antagonisms within the National Directorate, precisely because struggles based on a strong political movement would have tended to resolve the competition over post-triumph goals. The resulting split within the Sandinista movement might, in turn, have facilitated the victory of armed counter-revolution.

The lack of direction that characterised the National Directorate prompted some left critics to cast doubt upon whether a revolution was in process at all. In milder form others divided the Sandinista years between an early period in which revolutionary policies were pursued, and the later years when revolution had been abandoned. The first position, that the revolution was a sham, takes too narrow and dogmatic a view of radical change, ignoring the potentially revolutionary nature and momentum of popular movements. That the National Directorate did not and could not control events is testimony to the revolution

that transformed Nicaragua in the 1980s. The second, while correct in stressing that the revolution passed through different phases, errs by presuming that the Sandinistas held effective control over the course of change.

### The Fall of the Sandinistas

The Sandinistas lost the election of February 1990 for many reasons. First, the rural petty bourgeoisie, which owed its existence to the Sandinistas, had contradictory class interests. Because of their economic position, many small farmers felt more affinity for the UNO (Unión Nacional Opositora) than for the FSLN. Second, the political programme that guided the FSLN to revolutionary triumph in 1979 and electoral victory in 1984, uncompromising nationalism, could not serve as a strategy for governing the country. And third, that nationalist programme incurred the wrath of the US government.

By fulfilling the demand of the peasantry for land, the FSLN contributed to its election defeat. The small farmers that the Sandinistas created after 1985 vacillated in their political allegiance. On the one hand, small farmers owed their existence to the Sandinista government and feared that a return to the rule of the traditional elite might threaten its control over land. On the other hand, the petty bourgeois rhetoric and symbolism of the UNO tended to appeal to the class interests of small rural proprietors. To complicate the electoral preference of the newly formed rural petty bourgeoisie, the UNO programme was laden with ambiguities. The UNO pledged to respect land distribution carried out by the Sandinistas and also to return to owners property which had been confiscated, two campaign promises obviously impossible to fulfill simultaneously. During the campaign the UNO stressed the former, for reasons of expediency, overtly courting the beneficiaries of the Sandinista agrarian reform, rather than the traditional propertied classes, which would support the UNO in any case.

As indicated, relations between the Sandinista government and small rural producers had soured well before the election. Although UNAG was a creation of the Sandinistas, it exhibited more autonomy from the state than did other mass organisations. From the early 1980s UNAG made clear its opposition to many aspects of agrarian policy including promotion of state farms, preference for cooperativisation over individual small proprietorship, official pricing policy and the politics of state grain procurement. UNAG called on the government to confiscate more land, to distribute it to individual households and to de-regulate the market in basic grains. But before 1985 the government paid little heed to these demands. As a consequence, even many beneficiaries of the reforms, workers on state farms and members of cooperatives, believed that a new oppressor, the Sandinista state, had replaced the old. Many of the rural poor felt

betrayed by the revolution and readjusted their vision of the past. Thus, by the time the Sandinistas had reversed their agrarian policy, financial constraints prevented the government from further appeasing the rural petty-bourgeoisie. After 1985, when large numbers of small producers received land, the *contra* war was at its height and the government was unable to provide these new landowners with the credit and technical assistance they needed to cultivate their small farms. The political damage was beyond repair in the short term.

In the presidential elections of February 1990, the FSLN received thirty-six per cent of the rural population vote, below its national average of 41 per cent.<sup>57</sup> This outcome poses the question of why just over one-third of the rural population voted for the FSLN when almost two-thirds of all small farmer households benefited from the agrarian reform. Further, electoral analysis showed that in some regions more than half the members of many Sandinista production cooperatives (CAS), supposedly the FSLN vanguard in the countryside, voted for the UNO. These results were less surprising in light of our analysis, for one might ask why as many as 36 per cent of the rural population, many of whom represented an emergent petty-bourgeoisie, voted for a party with a revolutionary image. The role of smallholders in the vote reflected the contradictory class stand of the petty-bourgeoisie and the particular history of the Sandinista revolution. On the one hand, the Sandinista government gave land; on the other hand, that government pursued interventionist policies that seemed to restrict the ability of smallholders to take economic advantage of land they received.

Though it may seem ironic, it was possible that the *contra* policy of the US government allowed the FSLN to extend its rule over Nicaragua beyond its time. Though the US-funded war contributed to the defeat of the Sandinistas, it also maintained the relevance of a purely nationalist ideology. But by the end of 1989, the war against the *contra* had been won for practical purposes, and the lingering of the conflict took on a different significance. Daniel Ortega in his second presidential campaign could promise with justification that the conflict no longer represented a threat to his government.

If some *contra* leaders and their US tutors for a while believed that they would some day march triumphantly into Managua, even the most optimistic must have abandoned that dream by the late 1980s. The Sandinista army (Ejército Popular Sandinista) defeated all attempts by the *contra* to establish a permanent base in the country, beyond guerrilla activities concentrated in pockets of localised support. The *contra* leadership implicitly conceded this by entering into negotiations with the Sandinista government in 1989, during which the question of sharing power in some form of transitional government was never seriously considered. The Nicaraguan government had defeated the forces of counter-revolution, but could not destroy them as long as they enjoyed US

support and sanctuary in Honduras. This decisive but non-definitive defeat of the counter-revolution left the government in the difficult position of continuing to wage an expensive war in economic and human terms, but unable credibly to claim that the war threatened national survival or the fate of the revolution. It appeared that the war could continue indefinitely, that there would be no clear demarcation between wartime, calling for great sacrifices, and peacetime, when society would return to normal policies pursued to promote economic prosperity. By 1989, for many Nicaraguans the central political issue had shifted from winning the just nationalist war to repairing the devastation wreaked by a decade of warfare and rebuilding the economy.

Since its founding in 1961 the leadership of the FSLN played one political note, nationalism. With the war near its end, the rationale for the existence of a Sandinista government, as defined by that government itself, also neared its term. In the presidential campaign, the Sandinista leadership added to the prospect of peace a promise of economic improvement: 'everything will be better' (*Todo será mejor*). This represented a potentially counter-productive slogan for a government that over eleven years had produced no coherent economic strategy; indeed, had lost control of the monetary economy. It has been argued that people rejected nationalism when they voted against the Sandinistas, or, that they weighed national self-determination against the gathering misery inflicted by the US government and were moved by the latter rather than the former.<sup>58</sup> This interpretation fails to appreciate that the nationalist programme had lost much of its relevance by February 1990.

Well before the election the central political issue became not the war against the *contra*, but how the economy would be stabilised and revived. As the war dragged on, the economic decline and material suffering of the population loomed larger than the threat posed by the counter-revolutionary forces. The leadership of the FSLN, through its successful strategic defeat of US imperialism, convinced the vast majority of the Nicaraguan population that the revolution would endure. This, in turn, created an expectation among all classes that the decline of the economy would be reversed. Contrary to this expectation, progressive success in eliminating the *contra* threat coincided with virtual collapse of the money economy. From 1982 through 1987, national income declined, but at a relatively low annual average rate of -0.5 per cent, and per capita income declined at -3.1 per cent.<sup>59</sup> This six year decline paled to insignificance in comparison to 1988, when per capita income dropped by almost twelve per cent, which itself was eclipsed by a contraction of close to fifteen per cent in 1989. Along with these near-catastrophic declines, inflation in 1988 set a modern Latin American record for a twelve-month period at 11,500 per cent, a record that was shattered the following year by a rate of 35,000 per cent.

By the end of the 1980s, through the success of their new agrarian policy and execution of the war the Sandinistas had created the circumstances for their electoral defeat. The creation of a large class of small farmers generated in the countryside a group whose economic outlook conflicted with the populist politics of the government. Simultaneously, the strategic defeat of the *contra* brought the issue of economic strategy and management to the foreground. The Sandinistas did not anticipate the coming electoral defeat because they, like their supporters (*and* opponents) within and outside the country, remained captive to an image of Nicaragua no longer relevant: a country of the revolutionary majority, in which the ideology of anti-imperialism retained its primacy over class interests.

### After the Fall

The electoral defeat of the Sandinistas marked for some the end of the Nicaraguan revolution.<sup>64</sup> While valid in a sense, this interpretation treats revolution as derivative from the actions of leaders and governments rather than from the often chaotic unfolding of social conflict; and it further presumes that the National Directorate continued as a purposeful agent of revolutionary change to the end of its tenure in office. It would be more correct to say that the assumption of the presidency by Violeta Chamorro in April 1990 ended Sandinista reign over a revolutionary process which the defeat of Somoza in 1979 had set in motion.

Political power in the first year after the defeat of the Sandinistas took the form of an alliance between part of the victorious UNO coalition and the leadership of the FSLN. In essence the country suffered from a vacuum of power, in which no political party or group could muster the means to provide stability, much less coherent leadership, in a deteriorating social and economic situation. As during the decade of Sandinista government, form tended to rule over essence. Masters of the form of mass participation, while facilitating little in practice, the FSLN leadership continued its top-down political organisation.<sup>65</sup>

Before the election, the National Directorate identified the UNO coalition as consisting of two factions, a 'moderate' group with which agreement could be reached on important national goals, and a 'right wing' or 'extremist' faction that presented a threat to the achievements of the revolution. The first group consisted of those closely connected to Violeta Chamorro, and the second to the supporters of Virgilio Godoy. This analytical division would prove to be the keystone of the FSLN's post-election political strategy. After the UNO coalition took nominal control of government institutions, the FSLN leadership adopted the catch-phrase 'governing from below',<sup>66</sup> a role to be achieved through increasingly close cooperation with the Chamorro group. If thought was given

to forming a leftist coalition in opposition to both factions in the UNO, no FSLN leader ever publicly discussed the possibility.<sup>65</sup>

According to early post-election statements by the FSLN *commandantes*, cooperation with the Chamorro group did not involve an alliance, but rather defence of 'institutionality'<sup>64</sup> and 'stability'.<sup>65</sup> The former represented a euphemism for the agreement that the army and police would remain under Sandinista command; while the latter, used interchangeably with 'social peace', had vaguer and broader meaning, implying a normalisation of social conflict within the confines of electoral politics. Key to the justification of 'stability' as a central element of FSLN post-defeat strategy was the argument put forward by Commandante Luis Carrion that the Frente considered its historic programme basically fulfilled,<sup>66</sup> implying that in opposition, consolidation and protection of gains represented the key tasks.

The tactical relationship between the leadership of the FSLN and the Chamorro group, sometimes as formal and stylised as a Strauss waltz, proved fascinating, particularly in its apparent support for the view that in Nicaraguan politics kinship ruled over ideology. Important for analytical purposes was the relationship between this alliance and the underlying revolutionary process which the Sandinistas set in motion by the defeat of the Somoza dynasty. One scenario of post-election politics was that in concert the Sandinista leadership and the Chamorro group would bring about a consolidation of bourgeois democracy, forge a stable state, and modernise Nicaragua.<sup>67</sup>

Such an objective might be seen as a continuation of the short-lived coalition government of 1979-80, and a re-emergence of the obfuscated but on-going FSLN alliance with sectors of the traditional elite. Following their triumph, the FSLN formed a coalition government with some of the same representatives of the propertied classes who would a decade later constitute the 'moderate' faction of the UNO.<sup>68</sup> This alliance had been crucial to the 'mixed economy' and 'political pluralism' strategies of the early Sandinista years; although after the 1979-80 coalition government fell apart the strategies continued. In terms of the development of the revolution, the first government after the triumph represented a national democratic alliance that might have forged a programme of modernisation out of the chaos of insurrection.

However, that first attempt at a modernising national coalition founded on the weakness of the propertied classes and the momentary strength of the FSLN. With no army whose loyalty they could command and divided among themselves, the propertied classes brought little bargaining power to the coalition and no common project. Saddled with a weak and vacillating coalition partner, the many currents within the FSLN took their own courses, leaving the representatives of the propertied classes to complain of Marxist duplicity.

Even before the election of February 1990, the 1979 coalition was reborn, with many of the same actors. After the UNO victory at the polls something closer to equally characterised the coalition of military populists and bourgeois modernisers. The Sandinistas controlled the army and much of the state apparatus, including many of the public enterprises. The Chamorro group claimed the executive, from which it could not be dislodged without incurring renewed military intervention by the United States. Further, it appeared that the economic programme the new government wished to implement represented no fundamental break with the policies of the latter days of the Ortega presidency. The main differences between the FSLN leadership and the Chamorro government involved the pace of implementation of the stabilisation package, particularly with respect to reductions in the civil service and the army, and the time-table for privatisation of factories and land. At first, cutting back the civil service and the army proved especially contentious since these two institutions represented a large share of the organised base of the FSLN. Two major and violent strikes, in May and July 1990, forced the Chamorro group to postpone implementation of public sector layoffs and privatisations. While differences over the civil service and the army were of importance, they were also negotiable. In 1988 and 1989 Daniel Ortega himself decreed an economic adjustment plan which involved major layoffs of state workers and plummeting real wages. The Sandinistas implemented this package in the hope of ingratiating themselves with the international banking community and returning Nicaragua to the fold of the old economic order.

Thus, a scenario of capitalist modernisation mediated by populist restraint seemed to unfold through 1990. The coalition of 1979 was born again to rule. Initially Chamorro's side moved carefully, afraid to take steps that might provoke Sandinista leaders. By 1991 the context had clearly changed. The alliance was secure, with the Chamorristas the dominant partner, and the populist facade was crumbling as the Sandinista leaders demonstrated their acceptance of, even commitment to, major economic restructuring. The government grew bolder in implementing orthodox monetarist policies which combated inflation with great success; but which generated tremendous social and economic costs. During its first two years the Chamorro government took major steps of privatisation, demobilised half the army and laid off thousands of state workers, going far to reverse 'the conquests of the revolution'.

In 1990 GNP fell by another 5 per cent. Monetary stability was achieved in the midst of a sharp decline in real output. As banks severely curtailed credit to large and small enterprises alike, manufacturing and agricultural production collapsed. The objective of the Chamorro group's economic policy was to reinstate Nicaragua into the good graces of the World Bank and the International Monetary Fund. In this it showed success. In 1991 the government signed agreements with both agencies which promised to pave the way for multilateral

and private loans, fulfilling the economic objectives of the last years of Sandinista rule.

The electoral defeat and the alliance with the Chamorro faction broke the superficial unity of the FSLN. For the first time since its founding, ideological and political debate within the Frente was publicly acknowledged. Sergio Ramírez, Vice-President in the Sandinista government and subsequently head of the FSLN bench in the National Assembly, explicitly defended the alliance on the grounds that economic restructuring was a necessary pre-condition for stability and growth. For Ramírez, the Chamorro group represented 'modern capitalists' attempting to reform Nicaragua, whose pursuit of stability and development called for FSLN support.<sup>60</sup> This face of the Sandinista leadership reflected an amalgam of their ambiguous ideological heritage, their electoral defeat, and the new economic and political world order of the 1990s.

The alliance and pronouncements of Sandinista leaders represented politics at the surface, among the political elite. There was no *concertación* at the grassroots. Neither of the partners could claim a strong political base. Once no longer in control of the government, the National Directorate's lines of authority to the masses became increasingly tenuous. The ability of the FSLN leaders to direct mass protest was increasingly illusory and illusory. Shortly after the May 1990 strike, the Frente Sandinista held an assembly of its leaders at El Crucero, at which acrimonious divisions manifested themselves.<sup>61</sup> The first party congress, initially scheduled for early 1991, was postponed to July. When finally held, by re-electing the National Directorate, it apparently confirmed the power and prestige of the party's traditional leadership.<sup>62</sup> But this further undermined the credibility and support of the leaders, and of the FSLN as a whole, both in the eyes of many of its members and for a majority of Nicaraguans.

With weak links to the Nicaraguan masses and divided within itself, the FSLN leadership lacked the means to direct the course of events. Commentators repeatedly characterised the FSLN as the largest political party in Nicaragua and the one with the strongest mass support. While true, this characterisation reflected the general weakness of political organisation in the country, rather than the strength of the Sandinistas.

Although the UNO won a stunning electoral victory, no one party in its coalition could claim substantial grassroots organisation. The UNO won because it united to oppose a government presiding over a costly war and national economic disintegration. This motivation could not serve as a source of loyalty once in control of the government. Soon after the election the UNO was no longer a coalition at all, but two bitterly divided factions, each of which enjoyed little cohesion and less organised mass support. The President herself claimed