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Given the climate of relentless, Twitter-fueled controversy that has characterized US politics since President Donald Trump—with his pledge to pursue an "America First" policy agenda—came to office last year, it's reasonable to imagine that Washington would have more pressing concerns than Nicaragua, a small, impoverished nation that isn't even a major source of immigration to the US, legal or otherwise.

And yet, US authorities made it clear on a number of occasions last year that they were keeping a close eye on the Central American nation, which continues to be run by one of the US government's old Cold War nemeses, President Daniel Ortega, a former guerrilla commander who led the country in the 1980s before returning to power more than a decade ago. Since then, he has used a series of bold power plays—and benefited from a fractured and ineffectual opposition—to convert Nicaragua into what for all intents and purposes is a one-party state, dominated by the Frente Sandinista de Liberación Nacional (Sandinista National Liberation Front, FSLN) (NotiCen, Nov. 17, 2016).

Through the FSLN, Ortega and Rosario Murillo—his wife and now vice president—control all the key branches of government, including the country's electoral oversight body, the Consejo Supremo Electoral (CSE). As such, they are virtually unopposed, at least within Nicaragua.

Outside the country, however, it's a different story, as a group of US lawmakers let it be known by introducing legislation in 2016 that called on the US to oppose non-humanitarian loans to Nicaragua unless the Nicaraguan government took "effective steps to hold free, fair, and transparent elections, and for other purposes." The Nicaraguan Investment Conditionality Act (NICA), as the bill was known, quickly cleared the US House of Representatives (NotiCen, Oct. 20, 2016). But then, amid the tumultuous power shift brought on by Trump's largely unexpected victory, the legislation just as quickly ran out of time and momentum.

In that sense, the US election produced something of a saved-by-the-bell scenario for Ortega, who won his own presidential contest—his third in a row and fourth overall—just two days before (NotiCen, Nov. 17, 2016). It offered the crafty caudillo a reprieve, in other words, albeit one that would prove short-lived.

Diplomatic jabs

In April 2017, less than three months after Trump took office, US lawmakers introduced a new, updated version of the NICA bill (NotiCen, April 27, 2017). It has since cleared the House, with bipartisan support, and is now under review in the Senate.

In November, the Trump administration dealt Nicaragua a different kind of blow by deciding that, as of Jan. 5, 2019, Nicaraguans would no longer be eligible for visas under the so-called Temporary Protection Status (TPS) program (NotiCen, Nov. 30, 2017). The move impacts an estimated 5,000 Nicaraguans who have resided legally in the US for years but now have less

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than 12 months to obtain residency papers some other way, leave, or risk deportation. The US Department of Homeland Security justified the decision on technical grounds, though the timing of the announcement—exactly one day after the FLSN earned a near sweep in nationwide municipal elections—suggests politics may have been a motivating factor as well.

Six weeks later, the White House took aim at Nicaragua once again, this time with a move that impacts one of the key components of Ortega's political machine, the CSE. In connection with the so-called Global Magnitsky Act—which allows the US to target specially designated nationals (SDNs) involved in human rights abuses or corruption—the Trump administration announced Dec. 21 that it had ordered sanctions against more than a dozen individuals plus numerous entities. Second on the list of SDNs is one of the most prominent public figures in Nicaragua and a key Ortega ally, CSE head Roberto Rivas, who was instrumental in helping the Nicaraguan leader stay on as president past 2011 despite then-existing term-limit laws that were supposed to have barred his reelection (NotiCen, May 26, 2011).

During his nearly two decades as president of the CSE, a tenure that predates Ortega's return to power in 2007, Rivas acquired a substantial fortune despite earning a relatively modest (though generous by Nicaraguan standards) US$60,000 per year, according to news reports.

"Roberto José Rivas Reyes [Rivas] has been accused in the press of amassing sizeable personal wealth, including multiple properties, private jets, luxury vehicles, and a yacht," the US Treasury Department press release reads. "Rivas has been described by a Nicaraguan comptroller general as 'above the law,' with investigations into his corruption having been blocked by Nicaraguan government officials. He has also perpetrated electoral fraud undermining Nicaragua's electoral institutions."

Political repercussions

Specifically, the move freezes any assets Rivas may have in US jurisdictions and bars US people from engaging in any transactions with him. More generally, it lets the Ortega regime know that the US government is watching and waiting, impatiently, for democratic conditions to improve in Nicaragua. And while it doesn't force the Nicaraguan government's hand in any precise way, the decision to single out Rivas as a "bad actor" involved in "malign activities," to quote the press release, is nevertheless a major and still reverberating story there.

"The impression is that this is a national problem, not a personal one. This is not a private, individual person who's been sanctioned but a high-ranking state official," economist Néstor Avendaño argued in a video interview with the independent news magazine and website Confidencial. "I consider it a confrontation between states. And of course, this has a series of economic repercussions starting with the impact on investor confidence in the country."

It could also have political consequences regarding Ortega's standing with the Organization of American States (OAS), which has been in periodic communication with the Nicaraguan leader since late 2016.

Early on in his reelection campaign, Ortega rejected the idea of allowing outside observers for that year's presidential and parliamentary elections, calling monitors from the OAS and other oversight bodies "sinvergüenzas" (shameless people) (NotiCen, July 7, 2016). "We're done with having observers here," he said. "Let them go observe in their own countries." But against mounting pressure from Washington, namely the first NICA bill, Ortega opted for rapprochement with the

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OAS, and in February 2017 signed a "memorandum of understanding" to "strengthen the country's institutions" (NotiCen, June 29, 2017).

That, in turn, led the OAS to dispatch a mission to monitor last year's local elections, which the FSLN dominated, winning 135 of the country's 153 municipalities. In his initial report, the head of the 60-person OAS team, Wilfredo Penco of Uruguay, offered mixed messages, calling for "comprehensive electoral reform" while dismissing the problems he observed as "typical of all electoral processes." The final OAS report wasn't made public until Dec. 20, exactly one day before the Trump administration named Roberto Rivas in its sanctions announcement.

The OAS is reportedly working with the Ortega regime to improve democratic conditions in the country, though what exactly is being done, if anything, is unclear. At any rate, progress will necessarily require close collaboration with the CSE, a task that was challenging enough even before the White House slapped a persona-non-grata label on the electoral body's president, who hasn't been seen in public since. As analyst and legal expert Carlos Tünnermann argued in a Jan. 22 opinion piece for La Prensa, "The question now is whether the OAS is willing to … work closely with a CSE that's headed by a sanctioned person."

'Imperial outburst'

The other big question, of course, is what, if anything, the Ortega administration plans to do about Rivas. Remove him—as opposition figures, civil society leaders, and even some church officials demand—and Ortega risks giving the impression that he folded to US pressure. Keep Rivas on as the CSE president, and the Nicaraguan leadership could alienate the OAS or even goad Washington into completing passage of the NICA sanctions bill.

"The Magnitsky Act sanctions against Roberto Rivas constitute the hardest blow against the Daniel Ortega regime in the last 10 years and mark the start of an inevitable escalation," Donald Castillo Rivas, an economist and former Nicaraguan ambassador in Colombia, wrote last month in another La Prensa opinion piece. "Ortega is in a rough situation either way. Damned if he punishes [Rivas]; damned if he doesn't."

Ortega himself has said nothing on the matter. Murillo has kept quiet as well, as has everyone else in the administration with the exception of Bayardo Arce, a presidential economic advisor. Arce broached the subject with reporters in mid-January—nearly a month after the US Treasury Department made its announcement—calling the move another "imperial outburst" by a country that "thinks it owns the world."

"What are these acts of corruption and human rights violations they're accusing Roberto Rivas of?" Arce asked. "Don't you realize that they do whatever they want in the world? Don't you realize that you're living in a shithole, as the US president said? That's how they see us."

The accusations in the Treasury Department announcement are, as Arce implied, notably vague. But they're not the first to be levied against the CSE president, who has been questioned, among other things, for various properties and luxury vehicles he reportedly owns in neighboring Costa Rica. Authorities there are taking the matter seriously enough to launch a formal investigation, the Costa Rican daily La Nación reported Jan. 9. Two weeks later, Nicaraguan newspapers reported that Rivas's brother, Harold Rivas, has been relieved of his duties as the Nicaraguan ambassador to Costa Rica.

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