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[Reproduced below are excerpts from an article on the NED appearing in the Resource Center Bulletin, No. 19, Winter 1990. The Bulletin is a publication of the Inter-Hemispheric Education Resource Center, Box 4506, Albuquerque NM 87196 (505/842-8288).] In late 1989, members of Congress argued that US government aid would help "level the playing field" in the Nicaraguan elections, and approved some $9 million to enhance the possibility that the Sandinista National Liberation Front (FSLN) will be defeated in the Feb. 25 elections. Two prior fiscal year 1989 installments to the National Endowment for Democracy (NED) totaling $3.5 million were also designated for political and electoral purposes in Nicaragua. When added to $5 million in CIA contributions to the political opposition in Nicaragua authorized for 1989, at least $17.5 million has been dumped within the last year into an impoverished country with less than two million eligible voters. A comparable sum furnished to an electoral contest in the US comes to $1 billion. Such donations, however, would be illegal under legislation that prohibits foreign contributions for US political campaigns. US aid aimed at "leveling the playing field" of the Nicaraguan elections averages almost $10 per voter. This estimate does NOT include funding and logistical support from other diverse sources. These include the Venezuelan and West German political foundations, pro bono contributions of technical services arranged by NED grantees, support given by the CIA and NED grantees to counterrevolutionary organizations operating outside of Nicaragua, and contributions from US anti-Sandinista organizations which do not receive NED grants. When these indirect contributions are included, foreign financial participation in the elections tallies over $30 million. Many congressional supporters of this financial bonanza to anti-Sandinista groups in Nicaragua argued that "overt" assistance is preferable to the CIA's covert shenanigans. Critics point out that the NED, through its grantees, is doing just what the CIA does and would do with even more money to spend: effectively buying potential supporters. As Rep. Richard Durbin put it, the agreement to provide the election aid showed that members of Congress "welcome a mugging in broad daylight to avoid the suspense of a burglary at night." The US cash flow to "support" the Nicaraguan electoral process was established and enhanced on behalf of the 13-party National Opposition Union (UNO) coalition. Its presidential candidate is Violeta de Barrios Chamorro, director of La Prensa, and increasingly known in Nicaragua as "the State Department's candidate." The coalition includes leftist Sandinista opponents but is dominated by rightist supporters of the US project of ousting the FSLN. Many of UNO's candidates and officials are former contra leaders who have returned to Nicaragua. Focus on NED Established in 1983, the NED is a private organization that administers funds appropriated by the US Congress in support of "democracy-building" and other US foreign policy objectives. Most of the $12 million in direct US election aid to Nicaragua is being channeled through the NED. Although US law prohibits NED from financing UNO's direct campaign activities, it attempts to avoid such restrictions by funding party-building, organizing, and voter education enterprises which clearly boost UNO's electoral chances. Billed as a non-partisan contribution to pluralism and the democratic political process, NED assistance is actually quite partisan. In an election arena of 10 competitors (parties or party alliances), NED has decided to back
the campaign of a single political organization the UNO coalition headed by presidential candidate Violeta Barrios de Chamorro and running mate Virgilio Godoy. Support for the UNO coalition arises from NED’s history of supporting elements within the domestic opposition linked to the contras and the US destabilization campaign. Most of the anti-Sandinista organizations that have in the past received US funding from La Prensa to the Nicaraguan Democratic Coordinator are now found within UNO. From the beginning, NED has funded a core of organizations in Nicaragua which have been known for their obstinate rejection of the revolutionary government. Like the contras, they have also been known for their factionalism, personalism, lethargic approach to constituency-building, and susceptibility to corruption and clientelism. According to reports from Nicaragua, these unsavory qualities are being stimulated and reinforced by the cornucopia of dollars pouring in for the elections. NED's involvement as a partisan player in a political arena is not unprecedented. Along with its US and foreign grantees, NED has made a practice of throwing its weight behind one political coalition in such countries as Panama, Grenada, the Philippines, and Haiti. In many cases, as in Nicaragua, NED not only funds this political organization but also helps create it. NED has used US funds as a lasso, cinching together the disparate elements in the internal opposition. At the outset of the election campaign, the US government and NED representatives insisted that further funding was conditioned on the formation of a united opposition bringing together the wide variety of US backed groups. From 1984 to 1988, NED funneled just over $2 million to groups inside Nicaragua which formed the activist kernel of a reactionary political opposition. In fiscal year 1989, that figure was multiplied a whopping five times all through special allocations approved by Congress. Most came from funds initially appropriated to the Agency for International Development (AID). NED Funding to the Nicaraguan Internal Opposition, 1984-89 1984 $124,174 1985 456,000 1986 240,714 1987 454,757 1988 807,242 1989 11,235,000* *Estimated NED’s grantees have included all important sectors of the US-backed political opposition. From human rights groups to the media, Washington provided financial aid, logistical help, and technical assistance to keep its allies viable. The primary recipients were Violeta Chamorro's newspaper La Prensa, two trade union federations backed by the AFL-CIO (CUS and CTN), the Nicaraguan Permanent Commission on Human Rights, and business associations and political parties associated with a civic coalition (Nicaraguan Democratic Coordinator) which has metamorphosed into UNO. La Prensa is exalted in the US as Nicaragua's "independent" press. Since 1984, it has received more than $800,000 from NED. US money has purchased ink, newsprint, wire services, vehicles, chemicals, spare parts, computers, computer software, and other equipment for the newspaper. Like La Prensa, other groups supported by NED have joined in attempts to discredit the FSLN, and in other ways destabilize domestic politics. The NED-funded union federations, for instance, began pushing wage demands at the same time the contra war began to heat up and the US government intensified its campaign of economic destabilization. Radio Corporacion, also supported by NED, has produced inflammatory, anti-Sandinista stories. The NED paid for a pro-contra conference held in Costa Rica and funded a study of Nicaragua's informal sector which advocated mobilizing informals into the political opposition. Unreliable human rights reports have played an important role in the campaign to discredit the FSLN. The January 22nd Movement of Mothers of Political Prisoners, for instance, has helped shape US public opinion about human rights in Nicaragua, and is supported by US monies. Primarily composed of female relatives of National Guardsmen jailed since 1979, the Mothers Movement has testified to US congressional delegations and denounced the Sandinistas to US evangelicals and conservative political groups. According to Juan Mendez of Americas Watch, reports by this Movement are "full of rhetoric" and function more as "propaganda for the FDN [contra force] than a reliable testimony about conditions in prison." Spending the NED's money in 1989 Political
aid to the US-backed opposition in 1989 came in several installments. NED grants totaling $3.5 million included funding for voter mobilization and for strategy and planning sessions which stressed opposition unity. These grants also supported voter registration, grassroots organizing, and production of slick 10-minute TV spots which implicitly back UNO. Of the $9 million approved by Congress in October 1989 for use in Nicaragua's elections, a portion was earmarked for international election monitoring teams, including former President Jimmy Carter's Council of Freely Elected Heads of Government. The rest is being split among NED's grantees, UNO, and a required donation to the Nicaraguan Supreme Electoral Council. Everything from publicity materials to salaries and fringe benefits including paid vacations will be covered by this money. Transportation costs, office supplies, fax machines, consultant fees, conferences, poll watcher training, press releases, bumper stickers, buttons, T-shirts, and media spots will all be paid for by the US taxpayer. Some aid will directly support UNO campaign efforts; the rest will go to UNO supporters for election-related activities. Beneficiaries include the Youth Training Center (CEFOJ), the Nicaraguan Women's Movement (MMN), and familiar NED grantees like CUS and La Prensa. Among the newer grantees are Via Civica and the Permanent Workers Congress (CPT). The Institute for Electoral Promotion and Training (IPCE) set up with assistance from NED grantees and directed by UNO leaders will also receive funding for election monitoring, civic education, and registration verification. Via Civica is a major grantee and an important player in the elections. Described as a "broadly-based nonpartisan civic organization" in NED-funded promotional materials, Via Civica is actually a front for UNO. Founded in 1989, it receives NED grants through the US-based International Foundation for Electoral Systems (IFES) and a Costa Rican organization, the Counseling Center for Democracy (CAD), a major Central American pass-through for NED grants to the Nicaraguan opposition. Via Civica is producing bumper stickers, buttons, and other materials with the theme, "Your Vote Is Important. Your Vote Decides." Printed in red, white, and blue the same colors as UNO's Via Civica's materials subtly promote the US-backed coalition. The bumper sticker shows a scale with one half weighed down by a tank and missiles and the other side holding a ballot box. IFES grants also fund door-to-door get-out-the-vote campaigns and pay some 1500 volunteers $1 a day for their efforts. Of the 12 members of Via Civica's executive council, at least 10 are UNO militants and/or leaders of groups which have received NED grants in the past. Among the latter are representatives of CUS, CTN, the COSEP business coalition, and La Prensa. With the exception of La Prensa, each of these groups are members of the Nicaraguan Democratic Coordinator (CDN), a civic group which forms the conservative core of UNO. The CDN an association of political parties, business groups, and labor unions has been funded by NED directly and indirectly through grants to its members. Described as the "political wing" of the counterrevolution, the CDN's 1984 electoral ticket was endorsed by the largest contra group, the FDN. Its presidential candidate was Arturo Cruz, who later joined the contra directorate. When it became clear that the Sandinistas would win the elections, the CDN pulled out of the race. UNO-linked youth and women's groups are also tied to the CDN. CEFOJ, which gets NED grants to mobilize the youth vote, is headed by an activist in UNO and the CDN. It received NED money funneled through COSEP from the Association for Democracy (APRODEM) in Costa Rica. A recipient of NED grants, APRODEM has conducted training sessions for the Nicaraguan political opposition, drawing its participants from groups in the CDN. Similarly, the Nicaraguan Women's Movement uses NED grants from CAD to promote voter turnout among Nicaraguan women. Its director is national coordinator of the Nicaraguan Conservative Party, a member of the UNO coalition and of the CDN. Grants come to the Nicaraguan organizations via a maze of US and Central American pass-through grantees. NED's core grantees the Free Trade Union Institute, Center for International Private Enterprise, and the international
arms of the Democratic and Republican parties administer the bulk of the grants. Other grants are channeled through various US-based discretionary grantees, including Delphi International, the International Foundation for Electoral Systems, and America's Development Foundation (ADF). Some grants wind their way through several countries and organizations before getting to Nicaragua. Some of CAD's grants, for example, originate in the National Republican Institute for International Affairs (NRI) and pass through ADF before getting to CAD to be disbursed to Nicaraguan groups. Money Down a Rat Hole NED’s money in Nicaragua has been used to confront the historical weakness of Nicaraguan political parties and institutions. A draft report of the National Democratic Institute for International Affairs published in October 1988 described the opposition as "centrifugal in dynamic" and "fratricidal in outlook." NED grants have been made conditional on the electoral unity of the UNO coalition. Keith Schuette of NRI acknowledged this coalition-forming role in a recent interview: "We communicated to them the need to form a coalition. It's an imperfect world, but it needs to be done." Despite such efforts and years of NED support for the opposition, the inveterate weaknesses of Nicaraguan political institutions have not been overcome. Personalism, factionalism, and support networks based more on patronage than on shared beliefs continue to characterize the opposition. The money pouring into the country has aggravated these features. Charges of corruption and vote-buying are now being leveled against the UNO coalition. In the barrios, there are reports of give-away parties by the opposition. Driving about in new Toyotas, Via Civica teams have reportedly distributed Kool Aid, sandwiches, T-shirts, and caps to people registering to vote. There have even been reports that the choice of Chamorro for the UNO presidential candidate was paid for with US dollars. Ramiro Gurdian, a member of UNO's far right wing, backed another candidate for the coalition's presidential slot. After the nomination, he complained that votes for Chamorro were sold for $10,000. Instead of using US funds to promote democratic values and build a political infrastructure, the US-funded adherents of UNO are campaigning in the United States, buying votes, and diverting funds for personal use. In a report from Managua, the Institute for Media Analysis observed that some "disgruntled UNO people" quit the coalition, "sickened by the scrabble for dollars on the part of individuals." Both the Institute and a journalist from a major American newspaper found a pattern of corruption suggesting that money was being siphoned off for real estate. The Whole World is Watching Besides NED, a variety of other actors both governmental and nongovernmental participate in election-related activities in Nicaragua. These range from international observer delegations from the United Nations to rightwing political activists like the Committee for Free Elections and Democracy in Nicaragua. They also include organizations like the Center for Electoral Assistance and Promotion (CAPEL), a Central American regional agency funded by AID which has been recruited by Washington to join its political troops in Nicaragua. Not only is the US government funding UNO, it is also providing critical logistical support. The US embassy in Managua, for instance, is helping Via Civica set up the apparatus to conduct an exit poll on the day of the elections. According to the NRI's Keith Schuette, the Nicaraguan elections are the "maximum consultative exercise." Coordination and consultations are occurring among NED grantees, other private groups, the US government, and government-funded entities abroad. Various private groups are receiving US government money to monitor the election process. Jimmy Carter's Council of Freely Elected Heads of Government received special funding from the $9 million to support election-watch activities. NED’s grantees work closely with the Center for Democracy, headed by Allen Weinstein, one of the founding principals of the National Endowment for Democracy. With AID and NED funds, the Center has launched a major monitoring project in Nicaragua. Other US groups involved include the Simon Bolivar Fund a political action committee for the opposition and the Committee for Free
Elections and Democracy in Nicaragua, a Miami-based organization headed by former contras and contra supporters... The Panama Model NED has anointed the UNO coalition as the "democratic opposition" in Nicaragua. Its aid and that of other US government-funded entities has been shunted directly or indirectly to support that electoral campaign alone. In so doing, it has ignored a field of other candidates ranging from far left to far right... NED's work in Panama can be seen as a model for attempts to discredit the elections in Nicaragua. There too, the elections were portrayed as an off-balance contest between a dictatorship and an embattled democratic opposition. In Panama, as in Nicaragua, NED laid the groundwork for post-election charges of fraud by first strengthening an infrastructure of groups which were portrayed in the United States as representatives of the majority view in the country. Those were the groups that got US media play during the election as voices of democracy. Efforts in support of the opposition in both countries have been coordinated with US government agencies and with the various private groups involved. Finally, NED funded a variety of pre-election voter surveys and quick-count exit polls in Panama which were used in the United States to claim victory for the opposition. Exactly the same procedures have been followed in Nicaragua as in Panama. Leaving aside the question of whether there was in fact fraud in Panama's elections, it is clear that NED has created an elaborate structure in Nicaragua which it could use in the United States to discredit elections favoring the FSLN. If that should occur, then another element of the "Panama Model" might materialize a call for armed US intervention or the reactivation of the contras. The clearest example of this comes from Allen Weinstein, head of the Center for Democracy and NED's first president. As in Nicaragua, Weinstein and his Center were central figures in the network of election monitors for the Panamanian elections. Considered one of the showcase small-d democrats, Weinstein might be seen as a weathervane for the other members of the democracy network. In a pre-invasion Wall Street Journal article, he wondered aloud about when and if the United States should decide to use force to dump Panama's Manuel Noriega. By retaining force as an option, Weinstein revealed the US-oriented bias of activities to "promote democracy" overseas. The outcome in Nicaragua could be a prolongation of the tragedy of the past decade. Conclusions the presidential race, its most conservative elements will be tempted and perhaps pressured to call for an election boycott. Rather than legitimize the Sandinistas with a free election, they could prefer to repeat the CDN's 1984 abstention. If they do so, however, they will have to contend with less reactionary members who are willing to join the post-election system as secondary players. Should UNO lose the presidential election a likely outcome its members will need to decide whether to take the seats they have won in the municipal and National Assembly races. Reactionary components will probably decry a lost election as fraudulent and refuse to participate in the government, further marginalizing themselves from the Nicaraguan public. On the other hand, more moderate and leftist parties are likely to accept seats they have won, and use them as leverage for impacts on policy. Whichever scenario plays out, the UNO coalition will break apart after the election period, torn asunder by its own differences and having little long-term positive impact on democracy. US aid disproportionally benefits UNO at the expense of all the other opposition parties. In so doing, the United States is continuing to make the paramount political debate in Nicaragua one of the "Revolution" versus the "Yankees." Given the range of competing parties and corresponding viewpoints available in the country, this is a truly undemocratic outcome. Material and logistical support from the United States is perpetuating the dependence of the UNO coalition on Washington. It is artificially suppressing the need for competition by UNO for votes by substituting patronage appeals and glossy media campaigns for issue-oriented campaigning. This dependence undermines the credibility of the UNO coalition in one of the most nationalistic countries in Latin America... In the words of Erick Ramirez, presidential candidate of the Social
Christian Party and a member of the non-UNO opposition, instead of making the elections a "civic celebration of the people," he said, US involvement would make it a "market for buying and selling votes."

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