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NICARAGUA

Ortega-Chávez Accords Sent to Congress

Venezuelan President Hugo Chávez visited Nicaragua on 11-12 Mar to finalize accords with President Daniel Ortega between the two countries. This was a follow-up to Chávez' first visit to Nicaragua on 10 Jan when Ortega agreed to join ALBA, the Bolivarian Alternative for the Americas, and signed 14 short-term cooperative agreements with Chávez to provide Nicaragua with \$430 million in Venezuelan foreign aid.

ALBA is a strategic alliance agreement between certain Latin American and Caribbean countries (Venezuela, Cuba, Bolivia and now Nicaragua) created as a counterweight to US influence in the region, with an emphasis on regional integration, fighting against poverty and social exclusion, and resisting US neoliberal trade policies.

This series of cooperative agreements, ratified between the two countries on 6 Mar by a bilateral commission, has been sent to the Nicaraguan legislature for discussion and approval or rejection, along with the proposal to join ALBA. Included in the agreements are the future supply of discounted Venezuelan petroleum products to Nicaragua; an increase in commerce between the two nations; opening an office of the Bank of Economic and Social Development of Venezuela (Banco de Desarrollo Económico y Social de Venezuela, BANDES) in Managua; providing electrical generators to help alleviate Nicaragua's power shortage; \$31.8 million in debt forgiveness; and providing aid for Nicaragua's agricultural sector, student loans and medicine, as well as building 200 homes for the poor, among other things (Vol. 26, No. 1).

In addition, while participating in "Latin American and Caribbean Brotherhood" conference on 12 Mar, Chávez announced an important new deal with Ortega: the construction a new refinery in León department on Nicaragua's Pacific Coast, at an estimated cost of \$2.5 billion, to be financed by Venezuela.

Chávez stated that the provision of millions of dollars in Venezuelan foreign aid to Nicaragua is an act of solidarity with the government of Daniel Ortega and the Sandinista Front for National Liberation: "The idea is that the Bolivarian project and the Sandinista project will go hand-in-hand ... so that these will end up being just one grand revolutionary project."

Chávez defended Ortega's "participative democracy" and called on Nicaraguans to "keep the internal adversarial right-wing forces of the counter-revolution, supported by the Empire [the US], from detaining the Sandinista project." "Nicaragua is not alone because Venezuela is ready to keep this from happening," stated Chávez.

PARLACEN Opens in Nicaragua

On 26 Mar, the Central American Parliament, known as PARLACEN, began to function in Managua, Nicaragua, located in the old presidential residence built by the Taiwanese government in the late '90s, which current President Daniel Ortega refused to occupy when he assumed office last Nov.

PARLACEN, founded in '91, moved the location for its scheduled Mar '07 meetings from Guatemala City to Managua, following the murder of the four Salvadoran legislators last Feb in Guatemala, the subsequent murder of four imprisoned policemen who were charged with the Salvadorans' murder, and the public outrage and international pressure brought to bear on the Guatemalan government for allowing corruption and death squads to exist among government officials (Vol. 26, No. 3). The Apr meetings of PARLACEN will be held in Panama.

Former President Alemán Free to Roam

Former President Arnaldo Alemán is now allowed to freely move around the country while still under "house arrest" while serving a 20-year sentence for bilking the government of more than \$100 million during his administration ('97-'02), following the 16 Mar decision by the head of the national prison system.

Opponents denounced this decision as a miscarriage of justice and accused current President Ortega of complicity in making this decision, which is suspected of being the latest chapter in the power-sharing pact that Ortega made with Alemán in '99.

On 8 Apr, Alemán announced that he would begin touring the whole country to try to create greater unity among the various Liberal Party factions, in preparation for the '08 national elections. Alemán is the disputed leader of the Constitutional Liberal Party (PLC), which suffered a split in '05 led by liberal politicians who rejected Alemán after he was convicted of illicit enrichment and money laundering, and was sent to prison in '03.

The Nicaraguan Liberal Alliance (ALN) was formed in '05 by former PLC congressman Eduardo Montealegre, who opposed Alemán's continued control of the PLC after being found guilty of misusing public funds. Montealegre was the second-place winner in last year's presidential election, after distancing himself from Alemán and his corruption scandal. Montealegre told the press that he would never reunite with the PLC while Alemán is the boss. The ALN and a coalition of other PLC dissidents now control 66 of the 153 municipalities, the ruling FSLN currently control 87 municipalities.

Retired Catholic Cardinal to Head Peace Council

Retired Roman Catholic Cardinal Miguel Obando y Bravo, after receiving a green-light from the Vatican, accepted President Ortega's invitation to serve as director of the Peace and Reconciliation Council, which has as its goal fulfilling the commitments made to Nicaraguans affected by the Sandinista-Contra war in the '80s.

New Shipments of Venezuelan Oil Reach Nicaragua

In keeping with the Ortega-Chávez accords, new shipments of Venezuelan petroleum products arrived in Nicaragua during early Apr to help alleviate the nation's energy crisis.

On 3 Apr, the tanker "Pearl of the Caribbean" docked in Pacific port of Corinto with 49,000 barrels of diesel and 10,000 barrels of gasoline from Venezuela to supply the urban public transportation system and electrical generators with needed fuel, according to official government sources.

On 7 Apr, another tanker carrying 80,000 barrels of Venezuelan fuel oil (bunker) arrived in the port of Corinto to supply the Corinto Energy Company with enough fuel to generate electricity for 40 days.

On 8 Apr, yet another tanker, carrying 24,000 barrels of Venezuelan diesel, arrived on the Caribbean coast to supply the population of Puerto Cabezas, Corn Island and Bluefields with \$2.9 million in needed fuel to be distributed by PETRONIC, the state-owned Petróleos de Nicaragua.

According to the Sandinista government, Venezuelan oil shipments delivered to Nicaragua between 31 Mar and 8 Apr were valued at \$14,975,315. Nicaragua expects to receive about four million barrels of Venezuelan petroleum products during '07, as part of the ALBA accords.

Remesas from Costa Rica Total Millions

Nicaraguans residing in Costa Rica sent home to relatives an estimated \$43 million in money transfers (remesas) during '06, according to a recent report by Costa Rica's Central Bank. Although, officially, only 210,000 Nicaraguans legally reside in Costa Rica, the country has an estimated population of 500,000 Nicaraguan immigrants, although some of these are seasonal workers who return home after the harvest season.

\$148 Million Designated for Agricultural Development

On 6 Apr, the Minister of Agriculture and Forestry, Ariel Bucardo, announced that the government would make \$148 million available for farmers during the May '07 to Apr '08 agricultural cycle. The government will provide \$33 million and private financial institutions will offer \$115 million, according to Bucardo, who expressed hope that agricultural production would increase by 10% by '08. Priority will be given to basic grains such as corn, beans, rice and sorghum, as well as to meat production. At least 12 million quintals of corn are needed to supply the local market, and Nicaragua expects to export about 2.5 tons of beans to Venezuela next year as part of the ALBA accords.

—Clifton L. Holland