MEMORANDUM

January 10, 1991

To: William C. Doherty, Jr.

From: Richard L. Hough

Subject: Richard Oulahan’s Report on Nicaragua

Attached is Richard’s report on his recent trip to Nicaragua where he investigated further agrarian organizations and related land problems, and AIFLD assistance strategies addressed to these problems. I don’t have much to add. There are a few further points or implications worthy of brief note.

In terms of the abundance of un/underutilized land and the large and growing numbers of landless, there is an obvious case for a major land distribution program in Nicaragua. Although the figures are soft, the magnitudes are so great that the need for new initiatives in the area of agrarian policy, specifically with respect to land distribution, is manifest. However, there are at least 3 crucial parts in the overall picture which as yet have not fallen into place.

First, the Chamorro government does not have a national agrarian reform law or program which AIFLD could identify with or use to legitimize our support for its implementation. Even the Agrarian Reform Agency, INRA, lacks as yet an organic law which would sanction it doing anything.

Second, the Sandinistas appear to be dug in on the land, particularly in the state farm sector and in the public supported cooperatives (CAS). They would resist any attempt by the Chamorro government to force them to retrench. In addition, large tracts of land were given to Sandinistas, particularly in the military, before the turn over of the government.

Third, the agrarian associations affiliated with the CUS, as well as the farm unions in the other democratic labor federations, clearly lack unity and organization on the land.
Therefore, although the potential of a national agrarian reform program in Nicaragua which AIFLD could support is real enough, the present situation does not lend itself to other than the type of modest program which we have proposed to the USAID.

When the Chamorro government shows some will to move forward in the agrarian reform field, and when the democratic labor movement has become more unified, the time will be more ripe to accelerate our support and program role in this vital area. The type of project which we have proposed to the USAID, briefly described in the attached, gets our foot in the door while waiting for other more positive variables to emerge.

I would add that we still have the serious problem of a traditional, tentative USAID in Managua, uncomfortable and resistant to action other than in a long term economic development policy framework. Que lástima!

cc: Holway, Friedman, Estrada, Donovan, Ellison/Ellenberger
TO: Richard Hough

FROM: Richard Oulahan

SUBJECT: Update on Agrarian Unions and Agrarian Reform in Nicaragua and Description of AIFLD’s Agrarian Component.

General Situation

As opposed to my August trip when I focused on the overall agrarian situation seen from a national perspective, this time I investigated the situation from the grassroots up and examined the specific circumstances of agrarian reform and plantation and small farmer unions in the Leon/Chinandega, Nueva Segovia/Madriz and Matagalpa regions. The agrarian program presented in this report was designed to take into consideration the similarities and differences of the regions and is premised on the observation that CUS and its affiliates are in the infant, union organizing stage. The program should be simple and build on current activities and experiences.

The GON still has no national agrarian reform policy. Approval for the legal charter of the Agrarian Reform Agency (INRA), which was submitted to the President’s office in August, has been delayed, creating serious legal bottlenecks for all INRA activities. There is no serious plan for making specific state farms where large numbers of campesinos reside productive once again and for resettling landless farmers on large amounts of unused state farm property. In fact large areas of the state farm system were granted to military officers (Example: 17,400 manzanas in Nueva Segovia) and Sandinista sympathizers through
administrative title by the old Agrarian reform institute. So far, Sandinista controlled, rural organizations (ATC and UNAG) have successfully delayed the return of most medium sized properties to their old owners who were expropriated for political harassment purposes.

Because of (1) pressure from landless ex-contra soldiers, (2) the generally uncooperative attitude of the Rural Workers Association (ATC) and Farmers and Ranchers Union (UNAG) to change the status of state farms and cooperative enterprises, (3) more and more troop reductions in the Ejército Popular Sandinista (EPS) and (4), an increasing level of land related violence; the government has created an Agrarian Commission to solve land disputes and avoid armed conflict, at the local, departmental, regional and national levels. The Commission, created by administrative decree, is composed of representatives from government ministries, the Armed Forces, CORNAP (The Public Property Board), agricultural business organizations, ATC, UNAG and the democratic union umbrella group CPT. Its effectiveness differs from region to region. For example, the Leon/Chinandega Commission (Region II) has been much more active in identifying unused and underutilized lands, especially in the Cosiquina peninsula area, than the different commissions working in Nueva Segovia/Madriz (Region I) where there are large numbers of contras waiting to be resettled. The bloody December incident between ex-contras and the Policía Sandinista in which twelve people lost their lives took place in Region I, the same area where less than a dozen military officers have appropriated 17,000+ manzanas of some of the best land belonging to state farms. A slow process of resettlement is pushing the ex-resistance soldiers onto the agricultural frontier in areas of little or no social and physical infrastructure.

So as to conserve their economic power emanating from control over good land and the organizational integrity of their unions and cooperatives, the UNAG and ATC are reluctant to open lands held by their affiliates to inspection and consider changes in area and
status. Contrary to reports published by these Sandinista dominated organizations, much of their land is unused or underutilized, perhaps 50 to 60% according to knowledgeable observers. Working with figures from Rupert Scofield, I would very conservatively estimate 400,000 unused and underutilized manzanas just in the Cooperativa Agraria Sandinista system alone.

The idea of new development centers in mostly inaccessible forest and tropical areas (300,000+ manzanas has been designated) is meeting resistance from ex-contra soldiers who claim that the government offered them land near their villages of origin. Also, the number of ex-resistance members asking for land has gone from an estimated 10,000 to 20,000 and perhaps more. On the other side, EPS troop levels are dropping; and an unknown number, but in the thousands, are going home to seek land to work.

If we take 1987 figures for landless families (52,000) and add 20,000 ex-contras, plus 5,000 ex-members of the EPS and an unknown number of campesinos who have left the state farm and CAS systems, there are then at least 80,000 farm families needing land to make a living. This is compared with a figure of 75,000 landless families when the Sandinista began the Agrarian reform in 1979.

In summary:

(1) ATC and UNAG are reluctant to allow needed changes in the state farms and the CAS.

(2) Hundreds of thousands of manzanas on state farms and CAS are either unused or grossly underutilized while many campesinos are landless.
(3) Agrarian reform lands have been given to non-campesinos beneficiaries not legally eligible under the Sandinista made laws. It is very possible that some 700,000 manzanas (18% of the 3.9 million manzanas of Agrarian reform lands) have been given to some 9,400 military and Sandinista sympathizers in 1989 and 1990 as reported in a November La Prensa article.

(4) Contra resettlement has been slow at the same time that thousands of campesinos are being demobilized by the EPS.

(5) There is no national GON agrarian strategy, and government logistic and financial support to the Agrarian Commission has been minimal and even non-existent in some regions. The Agrarian Commission is an ad-hoc, temporary response to an escalating demand for land which in some cases has resulted in violent land takeovers by Sandinistas and ex-contras.

The conditions described above mean that (1) identification of suitable lands for the landless will be slow, (2) contra resettlement will continue to be behind schedule, (3) as the decree establishing the Commission states, contra and ex-EPS members will get preference to lands before the traditional landless farmer (CUS members) and (4) it is possible that only a small percentage of the 80,000+ landless families will benefit from the work of the commission, especially once the majority of "rowdy" contras have been taken care of. The rules of the game for the commission are very short-sighted: to put out land dispute fires so as to insure no overt conflict in the countryside. It neglects or relegates to a much lower priority the petition of landless campesinos willing to use the GON’s administrative machinery and therefore invites them to use more forceful tactics once planting season draws near.
CPT members, CAUS and CTN-a, have significant campesino affiliation and are pressuring the Agrarian Commission for land. They, like CUS, have at least 50% of this membership in the landless category. If the efforts of the CPT to become a united labor confederation are successful, an AIFLD agrarian program will have the opportunity to reach out to very large numbers of campesinos.

CUS campesino membership is 4,000 organized in Region I, 6,000 in Region II, and 7,000 in Region VI. 60% or more are landless. Organizing drives in these three regions are going on. As of this date, CUS members have been granted just 4,000 manzanas in the Cosiguino area of Chinandega. In El Chile, Matagalpa over 100 indians have been evicted from their two to three manzanas plots by armed Sandinistas since the February 25th elections. This CUS affiliated indian community has petitioned for redress from the Agrarian Commission. At the same time it is waiting to see if the general order by the Interior Ministry to disarm civilians will even the playing field so that they can retake their lands if the commission does not act. An idea by the commission to resettle this indian community was rejected by them as they have lived in this area for hundreds of years and have a title from 1806 in which the community purchased thousands of manzanas from the King of Spain.

The need for technical assistance to address serious problems of wind and water erosion, to guarantee better seed quality, to have more drought resistance crops, to find cheaper ways to fertilize and many others was repeatedly mentioned in conversations with CUS, small farmer leaders and members. Education on trade union and technical matters are highly esteemed and in very short supply. The unions mentioned the need for small, pilot projects to show what can be done from the practical point of view.
Part of the trip was dedicated to Ingenio San Antonio and the problems of banana plantation workers. The outcome was a proposal to assist the San Antonio union affiliated with the CUS, train its executive board and seventy shop stewards in collective bargaining, union management, safety and health and effective communication with the membership. San Antonio has a permanent work force of 2,000 and a temporary work force of 3,000 during harvest season. It is the largest, single agro-industrial complex in Nicaragua and very probably will be returned to its original shareholders in the near future. CUS and the union has asked the Nicaraguan Congress for a decree giving them 30% of the shares, but the motion seems to be going nowhere.

Unfortunately, banana workers are still under Sandinista management at the state run banana complex BANANIC. Exploratory talks and meetings will be held with several hundred workers, but no union will be formed until it can be assured that the democratic union membership will not be fired by management in collusion with the Sandinista union.

A CUS/AIFLD AGRARIAN PROGRAM

The rural component of the addendum covers both plantation and small farmer unions in the Matagalpa, Leon/Chenandega, Nueva Segovia/Madriz regions. It reflects the incipient state of union organization of CUS affiliates and the need to build from the bottom up. It also assists CUS help its campesino members with their most urgent priority - land.
Plantation Unions

An important target is Ingenio San Antonio with 2,000 permanent workers and 3,000 temporaries during five months of harvest and milling. It is the largest and premier sugar complex in all of Nicaragua. It can lead the way, as did Sitraterco once in Honduras, in collective bargaining and in developing an effective system of labor management relations at all levels of operation. The emphasis will be upon education:

(a) Executive Committee: Education on collective bargaining and the fundamentals of running a union and communicating with members. Assistance from Nicaraguan safety and health experts concerning mill hazards and very serious problems of chemical intoxication of workers.

(b) Shop Stewards: Some seventy shop or section representatives need training in their roles in collective bargaining, contract implementation, solving grievances and effectively communicating with both members and the union executive board.

(c) Members: Ways to reach members on job and union related questions will be explored.

A secondary objective will be to test the possibilities for organizing some 2,000 banana workers on twenty farms in Leon and Chinandega presently under state management. Approximately, ten preliminary meetings with potential members will be held.
Small Farmer Unions

The bulk of the activities will be directed at this section. There are seven types of activities planned:

(a) Assist CUS regional organization speed up the work of land identification teams created by the Agrarian Commission; and, in Chinandega, add a second topographical team to the land survey process for determining correct title boundaries and unused areas during a three month period before planting season starts.

(b) AIFLD/Nicaragua will provide a limited technical assistance program to assist in developing 15 to 20 small income generating projects for addendum funding and providing liaison services between small farmer unions and agricultural related, GON agencies and private entities.

(c) Union and technical oriented education programs.

(d) Support for 6 months to two activists/paratechnicians for the Matagalpa area where the CUS regional leadership has built a substantial organization mostly on its own.

(e) Carry out an in-depth study of agrarian reform and the present and future role of democratic farmer unions.

(f) Assist CUS in developing a national agrarian policy and in lobbying for its implementation through workshops, conferences and efforts by the CUS agrarian leadership with government officials.
Certain elements of the program - technical assistance, and small projects-will remain under the direction of the CPD during the ongoing search for labor unification so as to leave open the option of placing certain services with the new confederation as opposed to CUS.

USAID

In my few conversations with USAID staff, I got the distinct impression that procedures based on a business-as-usual attitude override any sense of political urgency.

USAID told Don and me that their last minute request for more paper was a result of their preoccupation with another project, creating a corresponding lack of attention for our presentation. I believe that this is partly true (the AIFLD project was not a priority), but it still does not explain why the increased paperwork was not requested before in a timely fashion. This information is a normal part of many project submissions.