REVOLUTION AND THE
AGRARIAN BOURGEOISIE
IN NICARAGUA

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The Nicaraguan bourgeoisie is not the same as in other countries. It has very peculiar characteristics.

Daniel Ortega

This was a strike by millionaires who have forgotten that my government assured them the social peace necessary to build up their fortunes.

Anastasio Somoza Debayle

The agrarian bourgeoisie of revolutionary Nicaragua is an anomalous class. Alone among land holding classes in contemporary Central America it failed to vigorously resist revolutionary pressure. Instead a substantial fraction of this class allied itself with a revolution against the system which had created its wealth. And nine years after that revolution members of this class fraction remain in control of their estates dominating, as they had before 1979, production in the critical coffee and cotton export sectors and retaining a substantial position in cattle, rice, and sugar. In revolutionary Peru and Bolivia land holding classes were targets not allies of the revolution and lost their lands almost immediately. In Cuba all private holdings of any size were gone in four years (Eckstein 1982). Among Latin American revolutions only in Mexico did agrarian capitalists join a revolution but unlike Nicaragua it was a revolution they came to dominate. Only in Nicaragua did an agrarian bourgeoisie join a socialist revolution and only in Nicaragua does an agrarian bourgeoisie coexist with a government committed to some version of revolutionary socialism. Both before and after the revolution the Nicaraguan agrarian bourgeoisie does in fact have some peculiar characteristics.

The presence of a fraction of the pre-revolutionary agrarian capitalist class as well as the remarkable political openness of revolutionary Nicaragua provide an unusual opportunity to examine class organization and consciousness in this anomalous class while the experience of the revolution is a matter of the recent past. Oral history is always subject to the frailty of human memory and attention, but in this case the moment of historical transformation is still close at
hand. For the agrarian bourgeoisie in contemporary Nicaragua revolutionary class struggle is still a matter of personal experience in everyday life. Survey studies of the economic and technical behavior of coffee and cotton growers, including, although not limited to, large growers, have been undertaken (Baumeister and Havens no date; Colburn 1986; Gariazzo, Incer, Soley, and Dye 1983; Sequeira 1981), but relatively less research has been conducted on class formation and consciousness, although excellent overviews can be found in the works of Sholk (1984) and Gilbert (1985; 1987). The present study is an attempt to extend this earlier work by focusing on the relationship between technical economic issues and political and class consciousness among the fraction of the agrarian bourgeoisie which still remained in Nicaragua in the summer of 1986. The study is based on in-depth interviews with 23 of the largest coffee and cotton producers as well as conversations with officers, former officers, and staff of the principal regional and national producers' associations; and technical staff and officials of the Ministry of Agricultural Development and Agrarian Reform and its research division, the National Development Bank, and the national cotton and coffee boards.

The core of the data, however, is the interviews with the growers themselves who were remarkably open about both their personal economic and social situation and their political views. The growers interviewed include some of the wealthiest and most influential private producers in post-revolutionary Nicaragua, as well as most of the principal leaders and official spokespersons of this class. Most of them are well known figures in their communities and regions, many bear some of the most distinguished names in pre-revolutionary Nicaraguan society, and a number are nationally and internationally known figures. Almost all, however, requested anonymity and their request will be respected here. Together the 18 coffee growers contribute almost 10 percent of the total coffee exported by Nicaragua. The five cotton growers include two of the five largest private producers. Care was taken to insure that those interviewed spanned the entire range of attitudes toward the revolution and members of both pro- and anti-government producers' organizations were included.¹ The interviews focused on their economic and political situation during the final years of the Somoza dynasty and the period since the revolution, although the growers were
considerably more forthcoming on the latter subject than the former. The interview transcripts present a portrait of the thoughts of this anomalous class in the process of forming itself. This class and its ideology reflect both the historical experience of the revolution itself and peculiarities of pre-revolutionary Nicaraguan economic and political structure. Each of these matters requires more detailed consideration.

The Agrarian Bourgeoisie in Pre-Revolutionary Nicaragua

Although there are disagreements over the not insignificant issues of the relative contribution of the agrarian bourgeoisie to the revolution and the primary axis of class cleavage in the Somozas' Nicaragua, there is considerable agreement among both academic observers (Baumeister 1982; Black 1981; Gilbert 1985, 1987; Gilly 1980; Torres Rivas 1975; Vilas 1986; Weber 1981) and Sandinista intellectuals (Lopez, Nuñez, Chamorro and Serres 1980; Nuñez no date; Morales 1980; Wheelock 1978) on the general characteristics of the Nicaraguan bourgeoisie. Many of these characteristics and some additional ones are also evident in the interviews with the coffee and cotton growers.

As was the case elsewhere in Central America, the Nicaraguan agrarian bourgeoisie had its origins in the great nineteenth century expansion of capitalism which pulled the region into the world economy as a dependent supplier of primary commodities and ignited explosive growth in coffee production and area in the latter half of the century. The new elite of coffee growers, processors, and exporters either seized or attempted to seize power throughout the region in order to adapt the state to the Liberal agenda of scientific positivism, agricultural export promotion, infrastructure development, unencumbered capital accumulation and oligarchic rule. By 1900 the coffee oligarchs held power everywhere except in backward Honduras which missed the nineteenth century coffee boom and later became a banana, rather than a coffee, republic. In Nicaragua this
great transformation began under Conservative Party auspices in the period 1857-1888 but
reached its climax in the liberal revolution and dictatorial rule of Jose Santos Zelaya (1893-1909)
which saw both the production and power of the coffee elite expand enormously. True to the coffee
elite's Liberal agenda Zelaya embarked on an ambitious development program which proved, in
the end, to be his and the agrarian bourgeoisie's undoing. Disturbed by Zelaya's overture to
British, German, and Japanese capital and, in particular, his efforts to promote the construction of
a second canal along the Nicaraguan route, the United States intervened in 1909 and installed
Adolfo Díaz, a compliant, Conservative attorney for the American-owned Rosario Light Mines
Company, as president of the country. When the United States again intervened in 1912 to
prevent the Civil War between Liberals and Conservatives that its earlier intervention had done so
much to stimulate, it came to stay not leaving again, except for a brief interlude from August
1925 to January 1926, until January 1933. The cooperative Mr. Díaz turned over control of the
customs house and thus the critical coffee export economy to the New York banking firm of Brown
Brothers Seligman which also gained control of the Nicaraguan National Bank. Together Brown
Brothers and the National Bank established the Compañía Mercantil de Ultramar (Overseas
Trading Company) which monopolized coffee exports until the 1950s. The original cause of United
States intervention was not overlooked. In 1916 the United States imposed the one-sided Bryan
Chamorro treaty which ceded to the United States canal rights in perpetuity in exchange for a
payment of three million dollars to the Conservative party. This transaction gave rise to the
enduring epithet vende patria (literally, country seller) which has become a staple of anti-imperial
rhetoric ever since.

The most enduring legacy of the long American intervention was, of course, the rise of
Anastasio Somoza García from ownership of a small Carazo coffee estate to absolute power
through dint of his proficiency in English, his closeness to the American Ambassador and his wife,
and his willingness to submit the Liberal Party to American control. The intervention also created
an enduring and ultimately triumphant myth in the figure of Augusto César Sandino who, alone
among Liberal generals, rejected the accord signed at Espino Negro in 1927 by leaders of the
Conservative and Liberal parties under the tutelage of United States Secretary of State Henry Stimson. The accord established a U.S. sponsored military dictatorship and "Espino Negro" soon took its place as a symbol of political compliance and national betrayal. Sandino and his "crazy little army" fought on against the United States Marines until they were withdrawn in 1933. But on February 21, 1934, after leaving a dinner meeting with Somoza, then head of the Nicaraguan National Guard, Sandino was murdered on the future dictator's direct orders. The Somoza dynasty, based on control of the United States trained and organized National Guard, had begun. It would endure for almost fifty years.

The United States intervention and the rise of Somoza and his National Guard ended any possibility for autonomous economic development led by the coffee bourgeoisie. As Deere and Marchetti (1981, p. 44) note:

The overall impact of the foreign intervention was to strengthen the hand of the traditional oligarchy vis-à-vis the reform minded coffee entrepreneurs. As a result bourgeois reforms were much shallower in Nicaragua than they were in El Salvador, Costa Rica, and Guatemala; and to this date, coffee production in Nicaragua lags far behind the neighboring countries in terms of yields and the modernization of the productive sector.

Control over exports by the Overseas Trading Company deprived the coffee elite of the most lucrative part of the coffee business and severely retarded their ability to accumulate capital. Control of the banking system by non-coffee interests restricted credit for technical improvements and expansion. Infrastructure development slowed to the extent that by 1950 there were only 170 miles of paved roads in the country (Laird 1974, p. 30). Warfare in the North Central coffee region severely disrupted production and caused a number of growers to give up in despair. Expansion in the North Central coffee sector did not begin again until the 1960s. The consequence of United States intervention for the coffee elite was defeat and displacement; for the coffee economy, senescence and decay. As one discouraged Nicaraguan observer wrote in 1961 (Delgado, p. 39):

To the extent that one is referring to coffee cultivation, we have stayed with the techniques of 1849 (the approximate date of the first Nicaraguan plantings) indifferent to everything that has taken place beyond our borders.
In neighboring El Salvador, by contrast, port, railway, and road building and Liberal control of the state created the conditions for rapid capital accumulation in coffee. The Salvadoran oligarchy came to control not only production but also modern factory processing plants and the lucrative export trade. From this base they rapidly gained control over numerous coffee estates, the banking system, and, ultimately, much of the economy (Aubey 1968-69; Baloyra 1982, pp. 22-32). The result was the best organized, most militant and financially powerful ruling elite in Central America. In Nicaragua, by contrast, the integrated empires of production on numerous estates, ownership of processing plants, and control of export trade and finance were largely absent. Instead, as Wheelock (1978, p. 146) notes:

...the coffee producer in Nicaragua is fundamentally dependent on the National bank, casually attends to his plantings once in a while. These observations place in relief the frustrated character of the coffee bourgeoisie, its backwardness, decay, and its ever more crushing weakness.

As Wheelock (ibid.) also points out, the backwardness of the Nicaraguan coffee bourgeoisie also accounts for its underrepresentation in the major non-Somoza economic groups that came to dominate economic life in Nicaragua before the revolution.

In Nicaragua most coffee growers owned their own estates and little else. The vertically and horizontally integrated coffee enterprises and coffee-based financial dynasties of El Salvador were almost entirely absent in Nicaragua. In Matagalpa two British immigrants managed to convert control of a coffee processing plant into such a financial empire -- the Calley Dagnall firm, which came to control some fifty coffee estates, a regional bank, half of the coffee trade of the North Central region and 10 percent of total Nicaraguan coffee exports (Wheelock 1978, pp. 142-143; Gariazzo et al. 1983, p. 10; Sequiera 1981, p. 112). Duilio Baltodano, a large Carazo planter, moved into exports in the 1950s after the end of the Overseas Trading Company monopoly, became a founding shareholder in the Nicaraguan Bank of America, owner of CISAGRO, a major agricultural inputs importing firm, and proprietor of the largest soluble coffee plant in Central America (Int., 1985). Arturo Vaughan, whose grandfather and namesake had been the most efficient producer in Nicaragua in 1910, used the family coffee estate, San Francisco, as the base for a multinational enterprise which included a mechanized egg production
operation accounting for almost a fifth of Nicaraguan egg production before the revolution (Int.,
1986). But these men were the exception. More typical were the isolated semi-feudal estates
described by Wheelock (1978) in his classic study Imperialismo y dictadura.

There was one other empire in coffee. Anastasio Somoza García took advantage of the
confiscation of German estates in World War II to make himself the largest coffee planter in the
country with some 46 estates by 1944 (Wheelock 1978, p. 166). Alemania, the largest coffee
estate in Pacific Nicaragua, was confiscated from Alfredo Balke, a German grower, renamed after
Somoza’s mother and titled under his sister’s name (Int., 1986). La Fundadora, the largest estate
in Matagalpa, was providentially acquired by Somoza from the heirs of its English owner who had
returned to his homeland to escape the dangers of guerilla war during the Sandino period
(Christian 1986, pp. 25-26). As Somoza himself observed, ”My father taught me that it is better
to buy from the heirs” (quoted in Wheelock 1978, p. 166). Or as one of the growers interviewed
observed, ”Somoza was good at getting people to sell.” But with the notable exceptions of Somoza
and Calley Dagnali few growers owned more than one or, at most, two estates and few followed
the examples of Baltodano and Vaughan into diversified economic activities.

The absence of vertical and horizontal integration, lack of economic diversification, and
general technical and financial weakness of the Nicaraguan coffee growers made effective industry
organization and political action difficult. In El Salvador the Coffee Growers’ Association and the
Salvadoran Coffee Company, controlled by the Association and a grower-controlled bank,
effectively managed the coffee economy from World War II until 1979 (Habib 1958, pp. 138, 143;
Lopez 1986, pp. 6-9). In Costa Rica the Institute for the Defense of Coffee and later the Office of
Coffee, dominated by large producers, played a major role in controlling prices and exports and in
modernizing the industry (Seligson 1975, p. 28; Hall 1982, p. 152). In Colombia the Association
of Coffee Growers, internationally known through its advertising symbol, Juan Valdez, constitutes
a virtual state within a state (Palacios 1983, pp. 509-537). Although a coffee growers’ association
existed in pre-revolutionary Nicaragua it confined itself to publishing a magazine of technical
information (El Café de Nicaragua) and choosing ”Miss Nicaraguan Coffee” of the year. The
powerful Association of Coffee Growers of Matagalpa, which played a key role in the political conflicts of the immediate post-revolutionary period (Christian 1986, pp. 197-215; Gilbert 1987, Chapter 5, pp. 19-20) was not founded until August 2, 1979, almost a century after large scale coffee production began. The Nicaraguan agrarian bourgeoisie lacked not class interests, which it had had from the time of Zelaya, but economically based class coherence and effective industry organization. After Somoza García's intervention in the German estates, however, the dynasty left coffee growers to their own devices confining itself as Colburn (1986, p. 68) notes, "...to collecting taxes, negotiating with the International Coffee Organization (OIC) over export quotas, and controlling diseases."

Nevertheless coffee remained the principal source of foreign exchange and domestic wealth throughout the latter half of the nineteenth and most of the twentieth centuries. In the 1950s and 1960s, however, a second dramatic expansion of world capitalism once again transformed the Nicaraguan economy. Stimulated by the Korean War boom in commodity prices and the long post-war expansion the new export economy was based on cattle, sugar, and, above all, cotton. Thanks to the high Korean War prices and effective pesticides developed during World War II, cotton production expanded exponentially in the 1950s and 1960s going from 5,000 bales in 1949 to over 500,000 bales in 1965 (Williams 1986, p. 197). It became the driving motor of the entire Nicaraguan economy, stimulating development in a way that coffee had never done. As Pedro Belli (1968, p. 48) describes the period:

The cotton boom...brought wealth to the Nicaraguan farmers, [a] more dynamic mentality to other sectors of the economy, unprecedented rates of growth, new industries and a more diversified export basket. In 15 years the "white gold" ended the secular stagnation that foreign intervention, internal revolts and reliance on coffee and gold had fostered.

The cotton boom created a new class of millionaire cotton growers in Leon and Chinandega many of whom were traditional land owning families who managed to transform aristocratic holdings into agrarian capital (Nuñez no date, p. 127). The social consequences of the cotton boom were profound and contributed significantly to the political conflict which ultimately undermined the Somoza regime (Paige 1985; Williams 1986). But in the short run they stimulated great new
wealth and made possible the beginnings of an industrial, urban economy. As one grower describes the period:

...the economy was not coffee. It was hundreds of small and medium businesses that were expanding tremendously before the revolution. The country was on a roll. The real boom was in cotton. It was helping everyone. Our workers were able to buy televisions and refrigerators...

Although the boom did not in fact help everyone and led to poverty and landlessness for many (Nuñez no date; Williams 1986) it did indeed stimulate a genuine, if uneven, economic development. The boom interacted with and reinforced an economic opening created by a political deal between Somoza’s Liberals and his Conservative opponents which ended the National Bank’s monopoly of the financial system and provided new commercial opportunities for non-Somoza interests. In 1953 newly rich cotton men from Leon and Chinandega and Managua merchants established the Bank of Nicaragua (BANIC) which followed by a year the establishment of the Bank of America (BANAMERICA) by Conservative cattle and sugar men taking advantage of their deal with Somoza (Black 1981, p. 38; Wheelock 1978, pp. 146-147). Although these banks were affiliated with American banks they represented the consolidation of Nicaraguan capital and the “business groups” that these banks came to organize dominated substantial sectors of the Nicaraguan economy especially real estate development, construction, manufacturing, and agroexports (Strachen 1972; Wheelock 1978). The integrated financial empires which failed to emerge in the epoch of coffee now for the first time made their appearance in Nicaragua with the cotton boom.

Cotton differed from coffee in other respects. Nicaraguan coffee cultivation was the most technically backward in the region; Nicaraguan cotton growing was the most technically advanced in the Western Hemisphere (Parsons 1965; Brooks 1967; Williams 1986). Cotton farming depended on agro-chemicals, motorized agricultural machinery, high powered crop dusting aircraft and, to a surprising extent given the low price of labor in Nicaragua, on automated harvesting equipment. Indeed land was a relatively minor factor in cotton production and much of it was rented. As Laird (1968, pp. 40, 55) notes, cotton production in general and technologically sophisticated production in particular benefit a local economy through their significant backward
and, especially, forward linkages. Cotton production stimulated the local mixing of agro-chemicals, albeit under the control of foreign corporations, the industrial ginning of seed cotton, the manufacture of cotton seed oil and, to a lesser extent, cotton cloth. Opportunities for local entrepreneurs were also available in crop dusting, import, sale, and maintenance of machinery, and financial services. These structural characteristics in a highly profitable industry led to the rapid consolidation of integrated financial empires in cotton. The Argüello family, the leading growers in pre-revolutionary Nicaragua, controlled more than 11,000 manzanas (1 manzana = .69 ha.) of cotton land in more than 15 different estates, was a member of an important secondary banking group, and lived in an opulent style that involved weekends in Acapulco in their own bimotor aircraft (Nuñez no date, pp. 129-142; Wheelock 1978, p. 201; Int. 1986). Other cotton growing families, such as the Gurdian and Mantica, became major merchants of agricultural inputs and owners of processing plants. The largest cotton gin in Central America was built outside Leon by a partnership of local growers (Int., 1986). Integrated financial empires were almost entirely absent in Nicaraguan coffee. They dominated Nicaraguan cotton production.

There were, however, distinct limits on the financial power of the cotton growers. Exports were controlled by 16 firms, most of which were local representatives of such multinational giants as Mitsui of Japan or the Allenberg Cotton Company of Memphis (Nuñez no date, p. 47). Agro-chemicals were supplied by a small number of foreign chemical firms including Monsanto, Olin, Tenneco, and Hercules Powder, all United States based Fortune 500 companies (Williams 1986, p. 201). John Deere and International Harvester were the major suppliers of agricultural machinery. Credit, particularly in the early years, was controlled by Somoza’s National Bank although this control was later diluted by the end of the bank’s lending monopoly. However wealthy and powerful the cotton growers might become they remained closely tied to both international capital and the Somozas’ empire. Like the coffee growers they never succeeded in organizing effective producers’ organizations. The Leon Cotton Growers’ Association, the Chinandega Cotton Growers’ Association, and the Western Cotton Growers’ Association were not founded until August 1978 as Vilas (1986, p. 139) notes, "...almost thirty years after the initiation of cotton raising."
The coffee growers lacked the financial resources and organizational coherence to mount a sustained challenge to Somoza power. The cotton growers had begun to attain the kind of integrated financial weight, if not the formal organizations, which make political power possible. But they still faced the political consequences of the American intervention in the form of the Somocista state. This curious, but remarkably resilient, political structure was based, fundamentally, on the American-trained Nicaraguan National Guard which the first Somoza transformed into a dynastic Praetorian Guard (Millet 1977). The Nicaraguan state was not as Morales (quoted in Hodges 1986, p. 206) notes, "the armed power of the bourgeoisie," but rather "the armed bourgeoisie in power." Somoza used his control of the Guard to build a huge financial empire, first in coffee and cattle, then in sugar, rice, dairy, agricultural processing industries, and finally in highly diversified manufacturing, service, construction, and real estate activities ranging from the national airline to Managua’s best known discotheque (Lopez et al. 1980, pp. 347-356; Wheelock 1978, pp. 163-176; Black 1981, pp. 34-36). The resulting system has been called "Sultanic" by Torres Rivas (1975, p. 115) after Max Weber’s (1947, p. 62) categorization in which:

...the chief tends to treat his position of authority as a personal prerogative, almost as his private property, and the subjects hence as instruments in carrying out whatever projects he may have in hand.

Or as a large cotton grower observed:

He ran the country as if it were his private farm. I can remember a meeting in which a government agency, the development bank, was having some problems and Somoza said, "What’s the problem. I’ll loan it 5 million dollars." It was like his personal possession. He treated the assets of the state as his personal possession.

Somoza’s "Sultanic" state could not have endured as long as it did if it were not for Somoza’s genius in coopting and rewarding, as well as intimidating, potential economic and political challengers. Within circumscribed limits the Nicaraguan bourgeoisie was free to accumulate wealth, if not power, and for those willing to cooperate there could be substantial rewards. "Come, comemos," as another large cotton grower observed, "He eats, we eat." The large financial groups of BANIC and BANAMERICA ran their own financial empires and where their interests overlapped with Somoza’s, as in sugar for example, cooperative arrangements were
worked out (Wheelock 1978, pp. 184-185). With the bourgeoisie the Somozas always preferred a deal to direct political confrontation, although no such consideration was extended to challenges from below.

One prominent coffee grower describes the Somoza treatment as follows:

Well, my father and Somoza were neighbors and "Tachito" [Somoza Debayle] used to drop by my office all the time to talk. He was always interested in whatever new business seemed to develop. So if he heard I was involved in rice he would drop by and say, "Roberto, the rice business is wonderful. It has a great future -- we should plant thousands of acres." And he would want to get involved in a joint venture. And I would say, "Tachito, that's a great idea. Why don't you pursue it and I will continue my business." Or he would hear that I was involved in castor oil and he would come by and say, "Castor oil is a great business -- all the airplane parts will need lubrication and castor oil demand will be terrific." And I would say, "Sounds like a great opportunity for you, Tachito." But I wouldn't get involved.

This grower, who maintained foreign citizenship, avoided any business or political involvement with Somoza and also observed a family tradition, dating to the beginning of the century, of strict political neutrality. For less diplomatic and socially prominent figures the Somoza "treatment" could be more abrupt. As a cotton grower notes:

He took my father's ranch. My father was a rancher with an excellent farm with extremely high milk yields. And someone from the Guard came and told him, "Somoza wants to buy your farm. Sign!"

Q. Did he pay a reasonable price?
A. He didn't even pay for the value of the cows he took, let alone the farm. It was robbery pure and simple.

Q. Did that sort of thing happen in cotton?
A. Well it was more common in the cattle areas around Boaco and Chontales -- excellent area for cattle. Somoza forced many people to sell. And in the rice growing area around Granada.

But Somoza's most effective tactic was coopting his political opponents through arrangements of shared political and economic power. As the same grower explains:

He was involved [in cotton]. The Argüellos, for example. They planted as much as 3,500 manzanas [actually over 11,000] before the revolution and they were political opponents of Somoza. So he forced a deal with them so he became a partner with them. That's the way the system worked.

The periodic "elections" held during the Somoza era were preceded by arrangements between the major Liberal and Conservative Party factions guaranteeing preference and power to
all involved in exchange for continued Sultanic dominance for the Somozas. The resulting election was a stage-managed farce. As another cotton grower and life-long member of the Conservative Party described one of the two occasions he voted:

...there was no point in it, the elections. You already knew who was going to win. Peasants were trucked to the polls and handed a ballot with a picture of Somoza and his opponent, and the election official smiles and places a pen on the picture of Somoza and says, "We all know who you are going to vote for." I demanded a secret ballot but it made little difference. They knew I would vote against Somoza.

The financial arrangements and electoral manipulation allowed some prominent members of the agrarian bourgeoisie access to the spoils of the Somoza system. But the tension between those inside and outside the charmed circle was always a potential source of instability. Somoza's success in the political economy of cooptation split both the Liberal and Conservative Parties and left the bourgeoisie and indeed the political opposition without effective political representation. In 1970 after the leader of the Conservative Party announced still another pact with Somoza, this time for the 1974 elections, one prominent Conservative, Pedro Joaquin Chamorro, editor of Nicaragua's leading daily newspaper, La Prensa, resigned from the Conservative Party in disgust to form his own Authentic Conservative Party and organize a boycott of the elections (Weber 1985, p. 39). The boycott in turn led to the formation, in 1974, of the Democratic Liberation Union (UDEL) led by Chamorro and including much of the splintered bourgeois political opposition, the Nicaraguan Socialist Party (Communist) and two labor federations (Weber, ibid.; Lopez et al. 1980, pp. 88-89; Vilas 1986, pp. 132-133). It also set Chamorro on a course that would eventually lead him to confrontation with the dynasty, leadership of the bourgeois opposition, and, eventually, to his death. UDEL was typical of the ad hoc political coalitions and interest groups which, in the absence of effective political parties, came to represent the bourgeois opposition in the revolutionary crisis (Gilbert 1987, Chapter 5, pp. 5-6).

Another consequence of the absence of effective political representation was a series of armed attacks often led by prominent political opponents of the regime but involving neither a coherent party structure nor mass political support. Armed actions against the regime took place in 1948, 1954, 1958 (two attacks), 1959, and 1967 (Weber 1985, p. 32). The most spectacular of
these, at Olama and los Mollejones in 1959, was led by the same Pedro Joaquin Chamorro who later organized UDEL (Gilbert 1987, Chapter 5, p. 4; Black 1981, p. 42). To some in the bourgeois opposition these attacks seemed the only route to political change. As a prominent coffee grower who actively supported the Sandinistas notes:

...there were others who supported the Conservatives or Independent Liberals against Somoza, but I thought that only armed action would overthrow Somoza. But I was wrong. In the end the people got rid of Somoza -- a mass uprising which he didn’t have the guns -- it was impossible -- to control.

Another prominent coffee grower described how he had gone into the hills for six months in one of the many inconclusive armed actions before the formation of the Sandinista National Liberation Front (FSLN). He survived the experience and returned to assume the life of an affluent planter. Another Conservative Somoza opponent interviewed said he had been jailed on several occasions but remained steadfast in his contempt for the regime despite his current disillusionment with the revolution. Short of military action there seemed no way to penetrate the Sultanic state. As Sequeira (quoted in Midlarsky and Roberts 1985, p. 183) notes:

...the Nicaraguan bourgeoisie was never a ruling class. There was virtually no correlation between political power and economic power in Nicaraguan society. The bourgeoisie was left to its sole interest, increasing its wealth.

As long as the bourgeoisie attended to the business of business it could count on the National Guard to insure labor tranquility and freedom from squatters and other inconvenient manifestations of peasant discontent. As FSLN leader Bayardo Arce (quoted in Invernizzi, Pisani, and Ceberio 1986, p. 180) notes:

At the hour of the strike the manager or owner called the National Guard. The Guard came and beat up the workers and that was that. There was no way to make a mistake.

Or as a staff member of a producers’ organization observed:

You could always count on the government to deal with land invasions.

The web of political entanglements and consistent support for bourgeois property tied the bourgeoisie to the Somoza state. And the Guard succeeded in putting down dissident members of the bourgeoisie or anyone else who failed to accept the rules of the game.
The interaction of the Sultanic state with a dependent agro-export economy created by the 1970s a tripartite bourgeoisie. At its core, of course, was the armed bourgeoisie of the Somoza dynasty itself. The grand bourgeoisie of the BANIC and BANAMERICA groups formed a second economically competitive faction linked to Somoza by a complex web of coercion and cooptation. Below these core groups was a much larger group which Gilbert (1987, Chapter 5, pp. 2-3) calls the "middle bourgeoisie," and Lopez et al. (1980, p. 85) call the "medium local bourgeoisie." Most if not all the large coffee growers, with the exception of Calley Dagnall, Baltodano, other large exporters and, of course, Somoza fell in this group. Many cotton growers did as well although the large cotton growers like the Argüellos or the Gurdian or Mantica were integrated in either the Somoza or opposing BANIC and BANAMERICA groups. It was overwhelmingly this "middle bourgeoisie" which moved away from the Sultanic state in the revolutionary crisis of the 1970s and it is a portion of this class fraction only which survived the revolution to continue production in Sandinista Nicaragua. The BANIC and BANAMERICA groups remained aloof from the struggles and indeed many of their members were caught in the Somoza’s web of political and economic obligation (Gilbert 1987, Chapter 5, pp. 5-6; Lopez et al. 1980, pp. 85-93; Black 1981, p. 65).

Although a few members of the grand bourgeoisie, generally those who had avoided the Somoza embrace, survived the revolution or even aided it most were swept away by the revolution itself or the confiscation of the properties of "Somocistas" which followed.

Table 1 presents the contrasting fates of two bourgeois families in the revolution; one, the Argüellos, closely tied to the Somoza system, and the other, the Bolaños, in opposition and allied politically with the middle bourgeoisie. Table 1 also presents a portrait of the enterprise structure of the cotton industry in the pre-revolutionary period. Since all cotton growers (but not coffee growers) have been obliged to register their annual plantings since the Somoza period, it is possible to construct a detailed portrait of land ownership patterns. In the case of the Bolaños family, who remain in Nicaragua, information from the official registry has been augmented by data kindly supplied by Nicolas Bolaños.² The Argüello holdings are an approximation based on the assumption that holdings of 200 manzanas or more listed under the Argüello patronym are
controlled by members of the family. The Bolaños listing includes all holdings whether or not they are listed in the family's patronym.

Insert Table 1 about here.

The Bolaños cotton plantings amounted to almost 5,000 manzanas before and only slightly less after the revolution, although one of their most important holdings, Servicio Agrícola Industrial Masaya (SAIMSA), was confiscated in June 1985 in an incident that gained international attention (New York Times, June 18, 1985, p. 7). The four Bolaños brothers (Alejandro, Enrique, José Domingo, and Nicolas) managed an economic empire that included coffee estates (one for each of the brothers), cattle lands, a 20,000 bale cotton gin owned by SAIMSA, a crop dusting firm, Aeroservicios los Altos S.A. (ALASA), with eight aircraft, landing strips, and ground facilities, a substantial quantity of agricultural equipment (tractors, harvesters, etc.) as well as other lands not planted in cotton (and thus not shown in Table 1). Although less information is available for the Argüellos it is clear from the size of their officially listed holdings reported in Table 1 that this was an even larger economic empire.

The Argüellos were confiscated as Somocistas immediately after the revolution and by 1983-84 only one holding of 200 manzanas or more was listed under their name and it is a corporate holding whose street address indicates that it is currently managed by the firm of Gurdian (MIDINRA 1983, p. 5). The Bolaños not only managed to keep their holdings intact (at least until the loss of SAIMSA in 1985) but planted almost as much cotton in 1983-84 as they had in 1975-76 even though the cotton area as a whole declined sharply after the revolution. The divergent fates of these two families reflect their political positions in the revolution and their structural positions in the pre-revolutionary class structure. Enrique Bolaños is now president of the Superior Council of Private Enterprise (COSEP) and has emerged as one of the principal
spokesmen of the internal bourgeois opposition. His brother Nicolas is now president of the National Union of Coffee Growers of Nicaragua (UNCAFENIC) which is affiliated with the Union of Agricultural Producers of Nicaragua (UPANIC). He is also a member of the board of directors of the National Institute for Nicaraguan Development (INDE). Both UPANIC and INDE are in turn member organizations of COSEP. As Nicolas Bolaños himself observed, "All I seem to do these days is go to meetings."

The Bolaños are representative of and, indeed, emerged as leaders of the middle bourgeois opposition in post- as well as pre-revolutionary Nicaragua. COSEP became the most important organization of the anti-Somoza middle bourgeoisie during the pre-revolutionary period (Gilbert 1987, Chapter 5, p. 5; Lopez et al. 1980, pp. 89-90; Vilas 1986, pp. 144-145). The organization was founded as COSIP (the name was changed in 1979 by substituting "Enterprise" for the original "Initiative") in 1974 in response to the economic and political dislocations caused by the 1972 earthquake and Somoza's rapacious response to reconstruction. Many leaders of COSIP had been associated with INDE founded in 1963 by young entrepreneurs encouraged by the United States Agency for International Development and assisted by AID funds (Wheelock 1978, pp. 152-153). Both INDE and COSIP shared the goals of the Alliance of Progress for economic development under democratic and anti-Communist auspices and this has been the consistent position of these organizations ever since. The proliferation of bourgeois associations (UDEL, COSEP, INDE, etc.) is another consequence of party decomposition and deligitimation under the Sultanic state. These organizations remained the primary vehicles of bourgeois opposition both before and after the revolution. The Bolaños, leaders of COSEP and INDE, represent the upper or leading strata of the middle bourgeois opposition.

The Argüellos, closely tied to Somoza interests and to the compromised faction of the Conservative Party, represent the bourgeoisie which stayed with the regime and was destroyed by the revolution. The contrast between the social and economic origins of the two families is striking. The Argüellos, descendants of Pedro de Alvarado, Conqueror of Guatemala and Bernal Díaz, chronicler of Cortez's conquest of Mexico, were one of the great families of the colonial and
independence periods (Revista Conservadora 1967, pp. 1-2). Jose Argüello Arce was already listed as one of the principal merchants in the Conservative capital of Granada in 1871 (Sanabria 1988, p. 53) and the family was prominent in Nicaraguan society and conservative politics throughout the Somoza period. Leonardo Argüello was elected President in 1947 but removed from office and exiled when he tried to remove Somoza as head of the National Guard. As Table 1 makes clear the family is tied by marriage and partnerships to a number of the most distinguished Conservative families (Sacasa, Cardenal) and to other major cotton producing houses (Gurdian, Mantica). Anastasio Somoza García was in turn married to Salvadora Debayle Sacasa and his daughter Lilian was married to Guillermo Sevilla Sacasa, Nicaraguan ambassador to the United States and for many years dean of the Washington diplomatic corps. And as the interview with a well informed Leon planter indicates Somoza was a silent partner in the Argüellos’ cotton business. The web of economic, political, and family ties between the Argüellos and the Somozas demonstrates how the Sultanic state enmeshed even its nominal Conservative opponents.

The Bolaños Geyer family had its origins in nineteenth and twentieth century European immigration to Central America. The Bolaños family migrated from Spain to Central America in the nineteenth century and Enrique Geyer, the brothers’ maternal grandfather, was a German engineer who arrived in Nicaragua early in this century. Alejandro Bolaños, the brothers’ paternal grandfather, was a medical doctor who bought a small coffee farm in 1914. His son, Nicolas, was a minor planter and hardware store owner who also ran a dairy business. The four brothers began their rise to economic prominence only in 1964 when they planted cotton for the first time. After surviving near bankruptcy caused by the destruction of their Managua real estate holdings in the 1972 earthquake they planted extensively in the critical year 1973 when, as brother Enrique correctly anticipated, cotton prices boomed as a consequence of a run up in synthetic fiber prices caused by petrochemical shortages during the first oil embargo. The year 1973 made their fortune and by 1975-76 when they appear in the listing in Table 1 they had become the eighth largest cotton growers in Nicaragua. The Bolaños brothers are typical of the new fortunes created by a cotton boom which dramatically expanded the ranks of the bourgeoisie.
in general and the middle bourgeoisie in particular. They remained in political opposition to
Somoza and, according to Nicolas, they managed to avoid any economic and political connections
with the regime. After the loss of their Managua real estate holdings they held no important non-
agricultural investments and were not involved in either the BANIC or BANAMERICA groups.
This structural position and their association with COSEP clearly places them in the middle
bourgeoisie although they are among its wealthiest members.

Victor Robles and José Mendez (not their real names) are representatives of the fraction of
the middle bourgeoisie in coffee. Victor Robles is the owner of two estates with a total area of
approximately 100 manzanas in coffee. His annual production of 2,000 quintales (1 quintal =
100 lbs.) or 200,000 lbs. places him among the fifty largest private growers in post-revolutionary
Nicaragua, but the scale of his production is still small when compared to that of the cotton barons
or of large coffee producers elsewhere in Central America. The Regalado Dueñas clan of El
Salvador, for example, produced more than 85,000 quintales or forty times as much as Señor
Robles before 1979 (Colindres 1976, p. 471). Calley Dagnall processed and exported more than
90,000 quintales before the revolution although much of this did not come from their own estates
(Sequeira 1981, p. 112). One of Victor Robles' estates was inherited from his father and
namesake who controlled roughly the same area in 1910 as his son does today. During the 1920s
the estate was raided by Sandino's forces and the manor house and outbuildings were destroyed.
His second estate was inherited from his mother who was a member of one of Matagalpa's best
known families of nineteenth century German planters. His yields of approximately 20
quintales/manzana mark him as a technically competent producer by Nicaraguan standards, but
they are much lower than could be produced on his estates with modern techniques. He estimates
that he could produce as much as 8,000 quintales if he could get the manpower and technology to
modernize. His workers, many of whom worked for his father, live on the estate where he
provides subsistence plots for them (a paternalistic gesture which he continues even though
technically it is in violation of the agrarian reform law). Although he lives in Matagalpa he visits
his estates frequently and on the day of the interview was on the way there to pay his workers.
He had been careful to change his departure time so as to confound payroll bandits who are a chronic problem in the region. A man of great personal dignity, aristocratic demeanor, and starchy independence, he was a determined Conservative opponent of Somoza.

José Mendez’s coffee business was a product of the long-delayed development of the North Central coffee region which resumed only in the 1960s. Paralleling the rise of new export commodities, the coffee system itself began a period of expansion and technical transformation which made coffee in the sixties and seventies a "new export crop" as well. José’s father first tried to produce coffee in 1936-37 but was forced out in a property dispute which threatened to become violent. He went into cattle instead and did not try again in coffee until 1963. His timing could hardly have been better and he and his sons, including José, rapidly expanded their operation to over 200 manzanas of coffee almost all of it under relatively modern cultivation techniques. His pre-revolutionary production of 5,000 quintales made him one of Nicaragua’s largest producers and his current production, although lower, still makes him one of the five largest producers in the North Central region. Even so, he is a small producer by the standards of Regalado Dueñas or Calley Dagnall. Before the revolution he planned to expand production and believes he could have reached 8,000 quintales, but has now shelved any expansion plans because of what he perceives as the political uncertainties of the present. José directs the operations, assisted by his three brothers, and he is in day-to-day managerial control of the enterprise. The family built a dry processing plant, rare for Nicaraguan growers, which can process 30,000 quintales. They planned to use the plant for their own expanded production as well as for coffee purchased from other growers. José Mendez is a straightforward, intelligent businessman fascinated by the technical issues of production and processing and without aristocratic pretension.

Victor Robles is a representative product of the 19th century coffee boom; José Mendez of the mid-twentieth century transformation of the coffee economy. Along with Nicholas Bolaños they are typical of the middle bourgeoisie in export agriculture which was excluded from the spoils of the Somoza system but was increasing in wealth and power immediately before the revolution. All the growers interviewed fall in this class fraction. It could hardly be otherwise since the grand
bourgeoisie associated with Somoza were confiscated and only growers in opposition to the regime in 1979 were likely to survive the political pressures of post-1979 Nicaragua. Comparison of the 1975-76 list of registered cotton growers (Nuñez no date, pp. 129-142) with the equivalent list for 1983-84 (MIDINRA 1983) indicates that there were 109 patronymic family groups holding 200 manzanas or more in the former period, a typical pre-revolutionary year, but only 64 such family groups in the latter period. For very large growers the losses were even greater. There were 21 family groups with 1,000 manzanas or more in 1975-76 but only 6 (including the Bolaños) in 1983-84. Clearly the heaviest losses were suffered by the grand bourgeoisie. The middle bourgeoisie in cotton, while diminished somewhat in numbers, is still a significant factor in post-revolutionary production. In coffee, according to data reported by Gariazzo et al. (1983, p. 7), there were 51 large growers in the North Central region with production of 1,500 quintales or more in 1977. In 1983-84, according to data from the National Development Bank, there were 21 growers in this size category. Overall, these figures suggest that the political and economic changes of the revolution reduced the ranks of the agrarian bourgeoisie by approximately one-half. But it is the surviving fraction, overwhelmingly from the middle bourgeoisie, which, according to most observers, opposed Somoza and supported the revolution. If they indeed supported the revolution the question raised by Anastasio Somoza Debayle in the quotation with which we began remains. Why would these aristocratic coffee planters and millionaire businessmen turn against a system that had made them rich?

The Agrarian Bourgeoisie in the Revolution

There is little doubt concerning the sincerity and vigor of the growers' opposition to Somoza and the support of most, if not all, of them for the revolution. Although it might be assumed that growers in contemporary Nicaragua would claim enthusiastic support for the revolution in the
interests of currying favor with the government almost the exact opposite is the case. As one
grower explained:

There is fear. Because today to say something bad about Somoza implies
supporting the Sandinistas. The orejas (ears), we used to call them under Somoza
-- now we call them sapos (toads) will hear so people are afraid to tell you the
truth.

Indeed most growers were reluctant to talk about the Somoza period and did so only in
response to persistent questioning. The consequences of collaboration with the Sandinistas for
members of this class could be grave. Of the six members of the Sandinista producers’
organization, the National Union of Farmers and Ranchers (UNAG) interviewed, three had been
directly affected by counter-revolutionary terror. One had lost her husband who was tortured to
death at their farm by contra raiders. A second lost his father and brother in a payroll robbery
with political overtones, and a third narrowly escaped an ambush by contra forces the day before
the interview. Even the one neutral who refused to join any producers’ organization had been
attacked by the contras, losing his entire herd of 600 cattle in a raid. None of the anti-government
growers had any similar experiences. Nevertheless almost all growers expressed vehement
opposition to Somoza and enthusiastic support for the revolution of 1979. The following comments
are typical:

The Sandinistas came to power with the aid of business and could not have done it
without them. Everyone, coffee growers included, wanted to overthrow Somoza.

* * *

Everyone opposed Somoza. Everyone -- the coffee growers, the peasants, the
workers, businessmen, everyone got together to throw him out.

* * *

It was a tyranny. He [Somoza] got involved in everything. And the corruption
was terrible. But Somoza was an angel compared to these guys [the FSLN
directorate].

* * *

We all supported the revolution. It was a wonderful thing. We still support it. But
not what they are doing now.
Only one or two of the growers expressed any sympathy for the Somoza regime or remained non-committal. The opposition often went beyond simple expression of opinion. Many of the growers gave money to the FSLN and argued that this was not uncommon among their friends. Others did much more. One grower actively aided the party, allowed his palatial villa to be used as a safe house for prominent party leaders, was arrested by Somoza and released from prison only after one of the FSLN’s spectacular hostage exchanges with Somoza. Another narrowly escaped arrest when a National Guard unit nearly caught several prominent party leaders, including at least one member of the current FSLN national directorate, in his town house. Fortunately, for both the revolutionaries and the grower, the leaders were able to escape by climbing over the roof before the Guard broke in. Other growers allowed weapons to be stored on their estates or hid rebel units during the final offensive maintaining a complicated double life to avoid detection by the Guard. Although such direct and often dangerous support for the rebels was not typical, financial support was much more common, and ideological opposition almost universal.

The growers were well aware of the ideology and objectives of the revolutionary party they were supporting. This ideology, of course, included the bourgeoisie in general and the agrarian bourgeoisie in particular as one of its chief targets (Hodges 1986, p. 214; Gilbert 1987, p. 20). When asked about the apparent contradiction between the FSLN position and the growers’ support for the revolution, most growers indicated that they hoped more moderate forces would prevail in the end. During the revolution the dominant "Third" faction (terceristas) of the FSLN had proposed a national unity alliance with the progressive bourgeoisie based on a program of non-alignment, democratic pluralism, and a mixed economy. This position, including alliance with the FSLN, was supported by "los Doce," a group of twelve prominent business and professional men including members of the Mantica (cotton) and Baltodano (coffee) families. It was also the position of the first post-revolutionary Government of National Reconstruction which included among its members Violeta Chamorro, wife of slain La Prensa editor Pedro Joaquin Chamorro, and Alfonso Robelo Callejas, a millionaire cotton seed oil manufacturer, member of the cotton aristocracy, and
leader of the Western cotton growers (Gilbert 1987, Chapter 5, pp. 9-10; Christian 1986, p. 151; Hodges 1986, pp. 214-217; Black 1981, p. 115). It remains the official position of the Nicaraguan government to this day even though the government was reorganized under FSLN control after the resignations of Chamorro and Robelo in May 1980. The complicated balancing act involved in the growers’ position is evident in the interviews:

...it was always clear that they [the FSLN] were Marxist-Leninists. I supported the revolution but we hoped that other groups might gain power and we might have real democracy. But it didn't happen.

* * *

Q. What did you think of the Sandinistas before the revolution?

A. We hoped that we could believe what they said. We knew their positions but believed that they supported las Doce. So we hoped that there would be a democratic system.

* * *

Q. What did you think of the Sandinistas in this period?

A. Well, we basically believed the charter of Punta Arenas [July 12, 1979] when they supported democracy. The period of the revolution, the first government with Violeta Chamorro and Alfonso Robelo. But after that they changed and we found out it was all lies.

* * *

Q. What did you think of the Sandinistas before the revolution?

A. I thought they were wonderful. I thought they were doves but they turned out to be toads.

The interviews make clear that this fraction of the Nicaraguan agrarian bourgeoisie (a) supported the revolution and the national unity alliance with the FSLN, (b) knew perfectly well that the party’s position was opposed to their interests, and (c) hoped that the contradiction between (a) and (b) would somehow resolve itself in their favor. The anomalous position of the Nicaraguan agrarian bourgeoisie was based on neither neutrality nor ignorance.

How can this strange revolutionary alliance be explained? It has become conventional wisdom (although Vilas 1986, p. 91 is a notable dissenter) to assert that the gathering world economic crisis, manifest in Nicaragua in a rapid accumulation of foreign debt, increasing prices
for petroleum and other agricultural inputs, fiscal deficits, and increased taxation, was a contributing factor in the radicalization of the bourgeoisie (see, among others, Nuñez no date, pp. 112-117; Lopez et al. 1980, pp. 56-58; Gilly 1980, pp. 93-94; Black 1981, pp. 66-68; Weber 1981, p. 26; Williams 1986, pp. 161-163; and Paige 1985, p. 104). Indeed this was the working hypothesis of the author when he arrived in Nicaragua and the interviews included detailed questioning on the pre-revolutionary economic situation of the growers. The hypothesis seemed reasonable since it is based on the common assumption that class interest and class consciousness can be derived directly from economic interest. Whatever the merits of this explanation for understanding the behavior of vulnerable lower class groups in an economic crisis, it does not correspond with the growers’ reports of their own economic situation. In fact the 1970s in general and the two years before the revolution in particular were times of unprecedented commodity prices with coffee at four times and cotton at three times their price levels in 1970 (Williams 1986, p. 207). Oil and petrochemical prices also increased dramatically but this fact alone does not constitute a crisis since labor is a large percentage of the costs in both crops and Nicaraguan coffee was less dependent on imported agro-chemicals and petroleum. And for large growers favorable prices on bulk purchases were usually available. As one large cotton grower observes:

We felt little pressure from pesticide prices since we could buy in bulk and demand preferential treatment. We were always volume buyers.

Furthermore, as Swezey and Daxl (no date, pp. 12-13) note:

Some of the more prosperous cotton families also had major financial interests in pesticide distributing firms, and had even bought the rights to registered trademarks or formulations, as well as built infrastructure such as landing strips and warehouses to provide aerial spray services.

In fact, as was noted above, the first oil shock actually made the fortune of the Bolaños brothers. It is entirely possible that a large number of small and medium coffee and cotton growers were caught in an economic crisis (none of them, of course, was interviewed for this study), but this was certainly not the way the large growers interviewed saw the situation. The growers reported no difficulty with either the price or the supply of agricultural inputs nor with prices available for
export products. Those growers who discussed the general economic situation in the immediate
pre-revolutionary situation pronounced it excellent. The following comments are typical:

Q. Were inputs available at reasonable prices?
A. Yes, there was no problem. They were readily available. There was
considerable choice and you could get excellent quality. They were much cheaper
than they are now.

Q. You could find more than one place to buy inputs here in [place name]?
A. No, we bought in Managua. There was much competition. There were Swiss
companies, German, English, American. The competition kept the price down.
There was a completely free market.

***

Q. Could you tell me about the Somoza period -- the economic conditions?
A. Economic conditions? Well, there was a free market. We basically got a free
market price in dollars and usually it was reasonable. It was profitable. There
wasn’t any problem with spare parts. You just went to the next corner and there
were several places you could buy them. There was no problem with inputs.

***

Q. What about processing plants? Difficulties with adverse prices?
A. The price was the international price. We sold cherry coffee [i.e., unprocessed]
to the processing plants. There were processing plants, wet and dry in [place
name]. There were a number of processing plants and competition kept prices
reasonable. We now sell to one buyer ENCAFE [the national coffee board].

***

It was fantastic -- the business climate!

It should be kept in mind that these are comments by what are, by Nicaraguan standards,
large growers. The smallest cotton grower in the sample described a very different experience and
complained bitterly about the role of the commercial houses in general and Gurdian in particular
who, he said, wouldn’t take the business of anyone with less than 10,000 quintales; offered him
half the world price; advanced money to cover costs at exorbitant interest rates; and tried to
foreclose on his father’s farm when the family was unable to make payments. His father stood
down the house of Gurdian with a shotgun. But this grower, an activist in the Sandinista
producers’ organization UNAG, was atypical. More representative was a grower who, when asked
if he had had any difficulties with prices paid by cotton gins, pointed out that he was a partner in
the largest cotton gin in Central America and proudly drove the author out to the plant for a visit.
Whatever merit the financial crisis theory may have for small and medium farmers it does not
apply to the agrarian middle bourgeoisie.

A second economic interest argument advanced by some of the same analysts (Black 1981,
pp. 64-65; Weber 1981, p. 33; Williams 1986, p. 168) involves "unfair competition" (competencia
desleal), a phrase increasingly used after the 1972 earthquake to describe the Somozas' coercive
interference in legitimate business. Although this was in fact a major complaint of middle
bourgeois interest groups (Vilas 1986, p. 131; Gilbert 1987, Chapter 5, p. 6) almost all growers
interviewed reported that they themselves had had no problems with Somoza and many denied
vehemently that he had interfered in any way in cotton or coffee:

Q. So they more or less left you alone?
A. Yes.

Q. I have heard that the Somozas interfered in business. Was that true?
A. Not in coffee. The Somozas got their start in coffee here in Carazo. And
Somoza's brother was involved in the commercialization of the product. But
basically he had different interests and didn't involve himself in coffee.

* * *

Q. Did Somoza interfere in cotton?
A. No, not really. I don't think he could understand cotton -- it was too
complicated for him. He had a cotton gin and he exported cotton, but no, he didn't
get involved. He did establish a 10 percent export tax after the earthquake, but
that was reasonable -- except that he stole all the money.

* * *

Somoza left the coffee growers strictly alone. No coffee estates were confiscated in
the epoch of Somoza Debayle -- it may have been possible in the epoch of Somoza
García.

* * *

Somoza never interfered in coffee cultivation or confiscated estates. Coffee growers
were not confiscated by Somoza.
The confiscation of German estates was either too far removed historically or seen as an exception based on foreign nationality. No grower mentioned it. And no coffee or cotton grower reported any threats to confiscate his estate or attempts to interfere in his business in any other way. The one grower whom Somoza visited on occasion to propose business deals denied that the dictator had ever threatened him and described Somoza's attitude as "strictly business." Nor did the growers see Somoza as a threat to the properties of cotton or coffee growers generally even though the case of the Argüellos was well known in Leon. The only grower who reported a direct threat against a member of his family was a cotton grower whose father had lost his dairy farm in a forced sale (see p. 12 above). But the grower's father was in dairying, not cotton. In fact the Somozas' major agricultural interests were in dairy, beef cattle, rice, and sugar, not cotton nor, with the notable exception of the German estates, in coffee. So whatever the merits of the unfair competition hypothesis for businessmen more directly exposed to the Somoza embrace, enthusiasm for the revolution among these coffee and cotton growers was not based on fear of confiscation or direct competition in their industry. As one coffee grower observed:

You know it's paradoxical. We had complete [economic] freedom in the midst of a dictatorship and now we have no freedom at all.

Economic self-interest in general is not an adequate explanation of the growers' opposition to Somoza and support for the revolution, and no amount of questioning along these lines revealed any economic problems sufficient to explain the growers' defection from a regime which had in any case faithfully defended their economic interests. As another grower explained:

Q. So you didn't have any problems with credit, exports, ginning...?

A. No, not at all. The objection to Somoza was global not specific. The cotton growers opposed Somoza as citizens not as cotton growers [author's italics].

When asked directly why coffee and cotton growers like themselves opposed Somoza the growers emphasized two general themes: (1) corruption and underdevelopment, and (2) tyranny and the absence of democracy. These themes in fact accurately reflect positions taken by COSEP, INDE, UDEL, and other bourgeois interest groups in the 1970s and during the revolution itself. The middle bourgeois interest groups consistently demanded an honest, efficient administration
which would make economic development under capitalist auspices possible. The following demand (quoted in Lopez et al. 1980, p. 357) by the Broad Opposition Front (FAO), an alliance of middle bourgeois interest groups, traditional bourgeois opposition party fractions, and the pro-Sandinista los Doce, is typical:

Eradication of the corruption which has characterized the Somoza dictatorship, the fraudulent appropriation of goods, contraband, illicit tax exemptions, fraudulent bidding, forced advantage in the sale of lands, misappropriation of state funds, illicit processing of loans, unjust commissions on loans and other dirty business.

Or in the words of the coffee and cotton growers in this sample:

Q. What were the greatest problems with Somoza?

A. Corruption. A few allies of Somoza doing all the business -- getting all the land, having all the political power. Somoza did nothing for the poor. We are a poor country.

* * *

...he got involved in everything. And the corruption was terrible.

* * *

He treated the assets of the state as his personal possession. The corruption was unsustainable.

* * *

They had been in charge of the country for fifty years and had done nothing to develop the country.

* * *

He was like an alcoholic who goes on the wagon and then takes another drink and loses all control. After the earthquake he wanted to be in every business. He wanted to control everything. And a lot of people resented it...it really wasn't unfair competition but people thought it was.

In the same list of demands the FAO also appealed for the establishment of a democratic system with constitutional guarantees of civil and human rights:

Installation of a new political order which will guarantee a truly free electoral process at both the municipal and national level and the organization and function of all political parties without ideological discrimination of any kind.

The growers, faithful representatives of the middle bourgeoisie, wanted the same thing:

Q. Why then do you think so many growers supported the revolution? Were opposed to Somoza?
A. Well he was a dictator for fifty years and we wanted a democratic system. And we wanted equality.

** * **

Q. But why if economic conditions were so good did you oppose Somoza?

A. Because it was a dictatorship. The same family controlling everything for fifty years. But things are much worse now.

** * **

The revolution has changed from the original revolution that threw out Somoza. We all had hope that we would have a democratic society. How do you say it in English -- we've been had.

As the quotations indicate, what the growers found objectionable in the old regime was the corruption and backwardness of the Sultanic state. What they wanted in the words of Carlos Vilas (1986, p. 132) was "...a modern capitalist state that would efficiently perform its political-economic functions." What the growers had in mind seemed to be an idealized version of the United States which many of them said they looked to, then and now, as a potential ally. Although the growers and the middle bourgeoisie had a class based vision of an alternative political order it was not a vision that, necessarily, led them to revolutionary action. No interest group representing bourgeois interests took an open stand against the dictatorship until the first proclamation of los Doce on October 21, 1977 (Vilas 1986, p. 135). COSIP did not call for direct action against the dictatorship until January 1978. And of course, many of the middle bourgeois interest groups, particularly producers' organizations, were not, as has been noted, formed until the revolution was underway -- the cotton growers' organizations in August 1978, the Union of Agricultural Producers of Nicaragua in early 1979, and the Association of Coffee Growers of Matagalpa, after the revolution, on August 2, 1979. Although the majority of the growers supported the position of los Doce in favor of alliance with the FSLN during the revolutionary crisis, bourgeois representatives consistently argued for the removal of Somoza and a transition to democratic rule in which the social and economic order, including in some form the National Guard, would somehow remain intact (Christian 1986, pp. 81-100; Vilas 1986, pp. 131-143). There was no place in the Sultanic state for the democratic aspirations and development agenda of
the agrarian bourgeoisie. There is no doubt that the growers interviewed were and are delighted that Somoza is gone. The growers might have joined a revolution if they had had a coherent political organization, which they did not; had been in desperate economic straits, which they most certainly were not; and had they lacked the economic freedom that they all said they had. Under the circumstances it is not difficult to see why the growers did not join the revolution earlier. The problem is why they joined it at all.

Revolution, Repression and Bourgeois Radicalism

With only two notable exceptions none of the growers reported any experience of or worry about political repression in one of the world’s most repressive political systems. The exceptions are one of the two growers who advocated armed insurrection against Somoza and the one inflexible conservative who went to jail rather than accept a Somoza deal. There is little doubt that first-hand experience of the dark side of the Somozas’ Nicaragua was a radicalizing experience. It led one of these two men to ally himself with the FSLN years before the revolution. But these experiences, important as they were, were not typical. More representative was the wealthy young planter who fought Somoza in the hills for six months and then resumed the administration of his estate and his place in society. Although Pedro Joaquin Chamorro was jailed after the Olama and los Mollejones raid, he was eventually released and was able to resume publication of *La Prensa*. As a prominent banker interviewed by Dennis Gilbert (1987, Chapter 5, p. 8) observed, "One does not kill people of a certain social condition." The murder of Pedro Joaquin Chamorro on January 10, 1978 violated this norm and is marked as a turning point in relations between the bourgeoisie and the state by almost all observers (Black 1981, p. 107; Gilly 1980, p. 84; Weber 1981, pp. 40-41; Christian 1986, p. 343; Vilas 1986, p. 136; Gilbert 1987, Chapter 5, p. 8). It dramatically changed the implicit rules of the game which exempted unarmed
bourgeois opponents from dictatorial violence. But the breakdown of the Sultanic state went much deeper and dramatically affected the lives of most Nicaraguans including many of the growers interviewed.

After the declaration of a state of siege on December 28, 1974 indiscriminate repression increased markedly as Somoza desperately struggled to maintain his rule. As George Black (1981, p. 89) observes, "The number of those who died in the 33 month state of siege can never be calculated but 3,000 is a frequent estimate." Most of the victims were poor peasants or the residents of urban shantytowns. The repression did not touch the bourgeoisie until very late but it created an atmosphere of violent disorder and political instability that threatened the position of the bourgeoisie more than any economic crisis could have done. As the repression increased manifestos issued by middle bourgeois interest groups, even before the assassination of Chamorro, are filled not with economic complaints but with desperate pleas for an end to the disorder that was threatening everyone. The first proclamation of los Doce (reproduced in Leiken and Rubin 1987, p. 172) begins with a paragraph deploiring the escalating violence and warning that:

...if no other approaches toward a true solution are sought, the alternative will be war, with its grim and unpredictable consequences of loss of life and great damage to the national economy.

The same theme is evident in news releases from middle bourgeois interest groups (reproduced in Lopez et al. 1980, pp. 147, 150). INDE warns in a news release of October 24, 1977:

Worried by the deterioration of public order and increased bloodshed...

That is affecting the normal development of economic, social and educational activities...

Creating a state of uncertainty and confusion in the country...

The "Manifesto of Chinandega" (western cotton zone) signed by 62 businessmen led by cotton baron Alfonso Callejas Deshon, October 26, 1977, states that they are:

Deeply worried by the evident instability with overtones of warfare

...propose realization of a national dialogue, broad, pluralistic, immediate.

And in the end the repression and disorder touched even the privileged members of the agrarian bourgeoisie as the interviews indicate:
Q. Was there a considerable problem for coffee growers with repression?

A. Well when the uprising occurred, when the pressure increased, yes there was repression. But before that, no, not really.

***

Q. Was the repression a reason for opposition?

A. Well, in the end it affected everyone. The Guard searched this house twice looking for people.

Q. Were you afraid of prison then?

A. Everyone was afraid.

***

Q. But you yourself were not active [in the revolution]?

A. Not directly, no. But we gave financial aid and we protected people. We let the Front [FSLN] use the farm as a base and loaned them trucks to transport their people.

Q. That must have been dangerous. Did you have problems with the Guard?

A. It was -- the problem was you had to be very careful to conceal it from the Guard. But they never found us out. The problem was that there were two sides and you were caught in the middle. When the Front came you aided them and the other side came -- you had to conceal things from them. We supported the revolution but not the extreme leftist elements in it.

Q. The position of los Doce?

A. Yes, not the extreme left.

The grower interviewed whose life was touched most profoundly by the repression was Victor Robles. His son and a friend were machine gunned to death in the streets of Matagalpa by the Guard. The incident had begun as a routine security check and the Guard did not know at the time that Robles' son had been working for the FSLN. His son's friend, however, panicked and ran. The Guard opened fire killing both instantly. A decade later there was still a tone of profound sadness in Victor Robles' voice as he described his son's lost potential:

He was such a brilliant boy, brilliant. He won a national competition to study in Switzerland and then came back to Nicaragua and helped run the estate. He had been here for two years when he was killed. He was 21...
For the agrarian bourgeoisie much more was at stake than the price of coffee. As these quotations make clear the revolution made the bourgeoisie radical; a radical bourgeoisie did not make the revolution. They were as the grower said, "Caught in the middle" of a revolutionary crisis which threatened their lives as well as their fortunes. But as the same grower also said, they "aided" the FSLN and "concealed things" from the National Gaurd. When the moment of choice came the growers’ contempt for the Sultanic state, in the end, was decisive. But the majority of large cotton and coffee growers, tied to this state and its interests, remained with the regime to the end. And even among those who opposed Somoza most came to the aid of the Sandinistas and the armed revolution late in the crisis and did so only when pressed to choose sides in a situation where neutrality was increasingly difficult. That in the end some growers sided with the revolution against their natural allies in the ruling classes profoundly weakened Somoza in his last battle, not so much for the aid they gave the revolution, but for the aid they failed to give to him. In El Salvador some coffee growers organized paramilitary death squads to contain revolution. In Nicaragua some coffee growers hid the revolutionaries from Somoza’s death squads.

The growers joined the revolution, however, not because of objective class economic interests, but because of the absence of subjective class-based political organization. Nicaragua’s peculiar economic and political history created a bourgeoisie without the kind of economic integration that would have enabled it to act effectively as a class and without the political organization which would have translated class action into political power. Incapable of acting in their own name, they allowed others to act for them -- first Somoza and then the Sandinistas. Paradoxically this revolutionary vanguard party led not a proletariat, which hardly existed in Nicaragua, but rather significant non-proletarian sectors including, remarkably enough, a fraction of the middle agrarian bourgeoisie. The agrarian bourgeoisie in revolutionary Nicaragua is a case of history making a class, not a class making history. But, of course, this class was made or, more accurately, unmade out of conditions inherited from Nicaragua’s own tragic history. The impulse to liberal revolution was weak but incipient class consciousness survived in the growers’
vision of a liberal capitalist democracy in the midst of the Sultanic state. Class consciousness without class organization; a vanguard substituting itself for the bourgeoisie; bourgeois revolutionaries without a bourgeois revolution. The Nicaraguan revolution, as well as the Nicaraguan agrarian bourgeoisie, has some very peculiar characteristics.
1. The list of producers to be interviewed was constructed by first interviewing officers and former officers of the major national and regional producers' organizations in coffee and cotton who were themselves large producers (6 producers). Both private and generally anti-government producers' organizations and the formally independent but generally pro-government National Union of Farmers and Ranchers (UNAG) were included. These officers and also staff members of the organizations were then asked to recommend others with whom the author should speak (9 producers). This network was supplemented by names selected randomly from lists of registered cotton growers and from a list of large private producers prepared by the National Development Bank (and kindly provided by David Dye) (6 producers). Finally two producers, who were also officers of a private regional growers' association, were contacted through the recommendation of the Ministry of Agricultural Development and Agrarian Reform (MIDINRA) bringing the total number of association officers and former officers to 8. Five of the growers (including two officers) belonged to UNAG, one was a member of both UNAG and a private growers' association, one refused to join any organization, and all of the others were affiliated with private producers' organizations. Officers and members of both UNAG and private producers' organizations indicated that almost all large growers were affiliated with private associations and only a handful with UNAG. Only large growers were interviewed. A large grower was defined as a coffee grower who was producing or had produced in the very recent past 1,500 quintales (1 quintal = 100 lbs.) a year, or a cotton grower with 300 manzanas (1 manzana = .69 ha.) or more registered in the 1983-84 crop year. One cotton grower, however, was included even though he planted only 150 manzanas, because he was a national representative of UNAG.

With the exceptions of two growers who preferred to speak in English, all interviews were conducted in Spanish by the author and transcribed from memory into conversational English immediately after the interview. The average time of an interview was slightly more than two
hours. In order to protect the identities of those interviewed, identifying detail including place names and organizational affiliations have been omitted in the text.

2. Nicolas Bolaños expressly permitted his name to be used by the author.

Table 1.
Cotton Holdings of 200 mz. or more of the Bolaños and Argüello Families 1975-1976 and 1983-1984

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<tr>
<td><strong>BOLAÑOS</strong></td>
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<td><strong>Mz.</strong></td>
<td><strong>Holdings Listed Under Patronym</strong></td>
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<td><strong>Total Holdings</strong></td>
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REFERENCES


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361 "Changes in Mate Choice in Chengdu," by Martin King Whyte, September 1988, 32 pages.
