Understanding the political relations between Iran and Nicaragua
INTRODUCTION

The relationship between Iran and Nicaragua dates back to the 1980s and the so-called “Iran-Contra” affair, an attempt during the era of US President Ronald Reagan to overthrow the Sandinista government led by President Daniel Ortega, who was viewed in Latin America as a man with a special revolutionary character.

As a result of America’s support during that period for uprisings against leftist groups in Central America, Iran took advantage of the anti-American sentiment this created to expand its relationships in the region, and in particular with Ortega in Nicaragua.

The relationship between Ortega and Tehran led the latter to seek political and diplomatic support for its protests about international sanctions imposed in response to its nuclear program. During Mahmoud Ahmadinejad’s time as president, Iran worked to strengthen its cooperation with Ortega’s government in an effort to capitalize on the political support and limit the hegemony and influence of the US in Latin America.

However, the political support offered by Nicaragua to Iran seems to outweigh what Iran provided in return in the form of limited economic support and exaggerated claims about promised investment in joint projects, the actual implementation of which is unclear.

This report attempts to shed light on the nature of the political and economic cooperation between Iran and Nicaragua, and aid understanding of the scope and repercussions of the bilateral relationship and its international dimensions.
POLITICAL RELATIONS

Iran’s relations with Nicaragua began in the 1980s. In 1983, Nicaragua’s minister of education, Fernando Cardenal, met Ayatollah Khomeini in Tehran. During the meeting the Iranian leader shared his thoughts on the common ground that existed between the two peoples in terms of opposition to the West and the dominance of American imperialism. The relationship developed despite the enmity between the Soviet Union and Iran at the time.

Nicaragua had adopted a pro-Soviet position after Moscow helped the Sandinista revolution to take control of the country, defeating the US-backed military leader, Anastasio Somoza, whose family had ruled Nicaragua for decades.

When Reagan was US president during the 1980s, Washington illegally supplied weapons to Iran and used the proceeds from the deal to fund the Contra — a counterrevolutionary movement in Nicaragua — in an attempt to overthrow the government led by Ortega, head of the leftist Sandinista party.

A US proxy war raged throughout the 1980s against leftist groups across Central America. Due to his anti-American stance, Ortega was viewed as more revolutionary than any other leader in Latin America.

In 2007, a little over a year after Ahmadinejad became president in Iran, Ortega was elected president of Nicaragua for a second time; he had previously held the office between 1985 and 1990. In Evo Morales and Rafael Correa, the presidents of Bolivia and Ecuador respectively, he found fellow regional leaders with similar ideologies and opposition to the policies of the US government.

In early 2007, Ahmadinejad visited Ortega in Nicaragua and said: “The imperialists do not like us helping you progress and develop. They do not like us getting rid of poverty and uniting people. But the whole world knows that Nicaragua and Iran stand together.”

Ortega responded: “In our Iranian brothers we found people, a government and a
president who are willing to join
the people of Nicaragua in the great fight
against poverty. Ortega visited Iran
again in 2009 to strengthen relations
between the two countries.

During Ahmadinejad’s visit to Nicaragua,
Ortega declared his support for Iran’s
peaceful pursuit of nuclear research. The
following day, diplomat and historian Aldo
Diaz Lacayo, who greatly influenced Ortega’s
views on foreign policy, declared that the
sanctions imposed on Iran by the US were
motivated by geopolitical considerations
and designed to force Iran into negotiating
with the West. He added that Iran would be a
provider of peace and stability in the Middle
East rather than a threat.

These statements made it clear that
Ortega’s government had a clear policy
of strengthening ties with Iran to bolster
opposition to a US hegemony in the region.

It is evident that Iran’s relationships with
Ecuador’s Rafael Correa and Bolivia’s Evo
Morales were influenced by Venezuela,
given the close relationship that existed
between Tehran and Caracas. The building
of these alliances were a direct result of the
convergent interests of Iran and Venezuela.

However, Iran’s relationship with Nicaragua
is slightly different, given Ortega’s long-
standing personal relationship with the
architects of the Iranian Revolution, which
dates back to his first term as leader: First
as coordinator of the Junta of National
Reconstruction between 1979 and 1985, then
as president from 1985 to 1990.

Nevertheless, even Ortega’s relationship
with Iran was also closely tied to his
relationship with Hugo Chavez, former
president of Venezuela. Ortega has
always described himself as a
“revolutionary” who supports Chavez’s
political-ideological, anti-imperialist
“socialism of the 21st century.”

According to Javier Maradiaga and Felix
Melendez, researchers at the Institute
for Strategic Studies and Public Policy
in Nicaragua, Nicaragua’s foreign policy
strongly correlates with that of Venezuela,
and any Latin American relationship with
Iran was conducted through Caracas.

The personal relationship between Ortega
and Iran led Tehran — which was been
subjected to US-ed international sanctions
because of its controversial nuclear program
— primarily to seek political support in Latin
America based on its opposition to the US,
rather than any deep economic ties, with
the exception of projects related to minerals or
strategic hydrocarbons.

Any economic and diplomatic ties were
largely ambiguous and based on the personal
dynamics between Ahmadinejad and the
leaders of Latin American countries at the
time, as proven by his many personal visits to
Chavez, Ortega, Morales and Correa. These
personal relationships largely replaced formal
institutional policies guided by councils or
ministries of foreign and economic affairs.

ECONOMIC COOPERATION
Nicaragua was a leading recipient of Iranian
aid during Ahmadinejad’s rule. The Islamic
Republic’s assistance to Nicaragua came with
conditions, however. In the months after
Ortega’s visit to the Islamic Republic, the
two countries signed a number of economic
accords through which Nicaragua was
promised $1 billion in aid and investment
from Iran to improve its agricultural and
energy sectors, and Tehran agreed to
finance a $350 million Nicaraguan port.

After the announcement of these deals,
Ortega denounced the US as “a terrorist
state.” In 2007, a $231 million loan was
granted to Nicaragua by Iran to construct a
hydroelectric dam.

In August 2019, a memorandum of
understanding between the two countries
was signed in Tehran for joint investments in
the fields of oil, agriculture and commerce.
Iran is one of the largest oil producers in
the world and is also competent in the fields
of pharmaceuticals and light industries,
while Nicaragua is specialized in the fields
of food production and textiles. Farhad
Dejpasand, then the Iranian minister of
finance and economy, said at the time: “Trade
transactions between the two countries are
set to increase 10 times the current volume
over the next two years.” He did not explain
how this plan would work, nor did he reveal
the existing value of bilateral trade.

There are serious doubts about the
implementation of these promised
investments and projects. According to
Melendez and Maradiaga, the agreements
seemed to hold the promise of a strong
economic relationship between Iran and
Nicaragua but, in reality, evidence of whether
these projects and aid plans ever really existed is lacking.

They also expressed their concerns about the nature of the bilateral relationship beyond the political or ideological level, given that it is mainly based on anti-Americanism.\(^{13}\)

**CONCLUSION**

Iran has established relationships with many Latin American countries, especially those with a revolutionary tradition such as Nicaragua, through which Tehran seeks to take advantage of the nature of these political regimes to serve its own political agenda.

Iran therefore took advantage of the “state of hostility” that existed toward Western interests, and US interests in particular, especially among some radical governments in the region. It also exploited in international forums the political support provided by these governments for its nuclear program.

Iran primarily seeks political support in Latin America for its opposition to the US — through personal relationships and shared ideologies, rather than focusing on sustainable economic relations — especially from poorer countries that have a need for financial aid Tehran might seem able to provide.

Yet some observers note that many of the economic projects in Nicaragua that were promised by Iran have not taken place, which reveals Tehran's lack of genuine interest in development and construction in the country. Still, the announcements promising such development projects are used by the Iranian regime in its media propaganda to serve its political agenda.
FOOTNOTES


2. Leffert, M. (University of New Mexico, 2007). Nicaragua And Iran Sign Deals, But Iranian President Ahmadinejad Faces Backlash At Home. https://digitalrepository.unm.edu/noticen/9476


5. Leffert, M. (University of New Mexico, 2007). Nicaragua And Iran Sign Deals, But Iranian President Ahmadinejad Faces Backlash At Home. https://digitalrepository.unm.edu/noticen/9476 http://hdl.handle.net/10945/1213


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