The Communist Crusade: How Covert Operations in Nicaragua Undermined the War on Drugs

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Abstract

One of the legacies of the Ronald Reagan Presidency was how his staunch anti-communist demeanour shaped American foreign diplomacy. Yet, a lesser-studied connection is established regarding how Reagan’s international priorities influenced his domestic policies. In particular, this paper examines the case study that the overlapping but mutually incompatible goals of undermining communist influence in Nicaragua and domestically waging a “successful” war on drugs provide. As a result, Reagan’s approaches to domestic and foreign policy are better understood as counterweights that mutually reinforce, contradict, and collide to create asymmetrical impacts. Reagan’s Cold War involvement in Nicaragua reveals that marginalised and radicalised peoples suffered at the hands of foreign policy prioritisations. Reagan’s overriding desire to eliminate the “evil” empire encouraged the administration to turn a blind eye to Nicaraguan anti-communist sympathisers who imported illicit drugs into America to fund the war effort. In turn, the American victory in the United States’ ongoing War on Drugs proved increasingly elusive. Ultimately Reagan’s paradoxical policies illuminate the danger of justifying and prioritizing foreign policy under the rationale of the ends justifying the means.

1 I would like to acknowledge that I am an uninvited settler on the unceded territories of the Songhees, Esquimalt, and WSÁNEĆ peoples. I want to express my gratitude to my family for their unwavering support of my education. In addition, I would like to thank all the outstanding professors I have had the pleasure of having at UVIC who have pushed me and, in turn, improved my scholarship by leaps and bounds.
On 9 May 1984, President Ronald Reagan issued a speech warning the American public that communism was being installed by force in Nicaragua and to prevent Soviet “weapon[s] of subversion … long-term American support for democratic development… was needed.” Ultimately, Reagan argued that support for Nicaraguan “freedom fighters” was imperative because “it is in our national interest to do so and morally it is the only right thing to do.” Over two years later, Reagan and his wife Nancy issued a joint speech updating Americans on their “national crusade” efforts against drugs by highlighting the increased seizure of drugs and the incarceration of “10,000 drug criminals” in 1985. In addition, the Reagans re-stated their goal of treating “drug trafficking as a threat to our national security” and underscored to the public that Americans could not be “morally neutral against any form of tyranny” in the fight against drugs. To the naked eye, these speeches may seem unconnected. When examining American efforts to topple the Nicaraguan Sandinistas, however, the tension between Reagan’s domestic and foreign policy becomes apparent. As a result, this tension caused the administration to be complacent in, and later try to conceal, its knowledge that the CIA-Contra cabal sold drugs within the US to fund its movement. The rhetorical decision of the Reagan administration to frame anti-drug policies as a war reflected its desire to utilise aggressive solutions including expanding the law enforcement budget, implementing mandatory sentencing, and increasing incarceration rates. In addition, the necessity of the War on Drugs and Contra support is rooted in failures to redress imperialism and white supremacy within and outside the United States.

The Reagan administration supported Contra drug funds by three key means: first, by turning a blind eye to the importation of cocaine to America via aircraft from Nicaragua; second, by giving Contra-sympathetic drug dealers lighter sentences or immunity from prosecution; third, by preventing intelligence organisations from sharing findings that linked the CIA-Contras to the drug trade. Overall, Contra scholarship focuses on how the controversy reflects the rhetoric within the Reagan administration’s framing of foreign policy objectives. However, this paper will discuss a theme identified by the Reagan administration’s contradictory dynamics within their domestic and foreign policies: Reagan prioritised toppling the Sandinista Government abroad over the War on Drugs domestically, which undermined the latter. The Reagan administration’s support of the Contras, despite this group’s sparse Nicaraguan support and lack of a political agenda, demonstrates the President’s prioritisation of preserving an image of being tough against perceived communist threats, even at the cost of employing mutually incompatible foreign and domestic policies. The War on Drugs was hindered by the Contras because policy asymmetrically blamed domestic dealers and users, which led to mass incarceration. However, the administration overlooked Contra drug importation to the US, which thus applied a double standard to domestic residents and foreign allies. Furthermore, the sentencing disparities of 100:1 between crack and cocaine users, which Reagan enshrined into law, led many to interpret these policies as racially discriminatory because African Americans were more likely to buy and sell crack than white

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3 Ibid., 00:05:51.
5 Ibid., 00:11:03, 00:19:04.
7 Ibid.
Americans. Moreover, Reagan’s excessive prioritisation of fulfilling US interests in Nicaragua through supporting Contra “democratic freedom fighters” had the unintended consequences of revealing undemocratic tendencies within the Reagan administration. Importantly, this scandal uncovered a lack of presidential accountability, corruption within intelligence agencies, inequality before the law, forcing American will on a lesser power abroad, and discriminatory policymaking. Ultimately, the broader lesson this paper reveals is that studying foreign and domestic policy is not best understood by examining the two in isolation but as counterweights that mutually reinforce, contradict, and collide with each other.

The Carter administration’s official policy towards Latin America stressed human rights and non-interventionism. Yet the commitment to upholding these values in Nicaragua was constricted by other long-standing considerations—order and security. For decades, the Somoza dictatorship was guilty of human rights abuses, such as the illegal imprisonment of political dissidents; embezzlement of humanitarian aid following the 1972 Nicaraguan earthquake; and the torture, rape, and execution of civilians by the National Guard. The Carter administration attempted to balance condoning the abuses of the Somoza dictatorship without supporting the rapidly growing Sandinista movement, given its Marxist and Cuban ties. Eventually, events in Nicaragua outpaced Carter’s ability to forge democratic solutions. On 17 July 1979, Anastasio Somoza fled to Miami, and the Sandinistas marched into Managua and installed a new government. Still, Carter was determined to wield influence in Nicaragua by generating a $75 million assistance package. However, Ronald Reagan replaced Carter’s carrot with a heavy club.

In an address to the 1985 State of the Union, Reagan declared that the United States should not “break faith” with anti-Communist resistance movements. Two months later, political commentator Charles Krauthammer called this speech the declaration of the Reagan Doctrine. Three assumptions guided Reagan’s foreign policy: 1) President Carter’s policy of detente caused Soviet expansionism to go unchecked and spread; 2) communist movements in the “Third World” were not genuine expressions of anti-American nationalism but were orchestrated by Moscow; and 3) the risk of direct confrontation with the Soviet Union was minimal given that Nicaragua was located in the periphery of the “Third World.”

Guided by these assumptions, Reagan entered the Oval Office in 1981, determined to take an aggressive stance against communism to renew American strength and purpose.

However, encapsulating Reagan’s foreign policy in simplistic terms does not consider the asymmetrical application of this supposed doctrine. For example, the Mujahideen in Afghanistan received substantial military aid and weaponry, while a similar anti-leftist movement in Mozambique received no US assistance. Thus, the varying willingness of Reagan to support “freedom fighters” was based on calculating local conditions, US security interests, and political circumstances. Ultimately, Reagan’s National Security Adviser Robert McFarlane corroborates this characterization by recollecting that “policy emerged on a case-by-case basis” and not because of a “comprehensive plan” or a “set of standards to determine which insurgencies were deserving of US aid.” Furthermore, although Reagan was an ardent Cold-War warrior, he recognized the limitations of Congressional support for armed conflict due to the effects of Vietnam syndrome on the American political landscape. As a result, Nicaragua was prioritised given its geopolitical and economic significance.

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10 Ibid, 46.
12 Ibid, 28.
13 Walker, Revolution & Counterrevolution in Nicaragua, 324.
14 Ibid.
16 Ibid, 76.
17 Ibid, 80.
18 Ibid, 76.
In a 1986 address, Reagan urged Congress to support a $100 million aid package. Reagan’s electoral coalition of economic and religious conservatives influenced his rhetorical framing of supporting the Nicaraguan Contras. Reagan argued that passing this legislation would prevent the Soviet Union from using Nicaragua as a base to “threaten the Panama Canal, interdict our vital Caribbean sea lanes, and, ultimately, move against Mexico.” Furthermore, he appealed to religious conservatives by asserting that Nicaraguan Christianity was under siege using Evangelical pastor Prudencio Baltodano’s story. Reagan described Baltodano’s experience of being tied up, struck by a rifle butt in the forehead, stabbed in the neck and ear, and left for dead. Ultimately, Reagan’s intricate understanding of his supporter’s values and ability to captivate audiences using his acting experience ensured that on 17 October 1986, Congress approved the $100 million aid.

Yet, the advent of US-Contra support occurred five years prior to this speech. The Reagan administration used the CIA to spearhead covert operations in Nicaragua without Congressional oversight. On 16 November 1981, the National Security Council met to consider a plan that would respond to the deterioration of American control in Central America. The meeting resulted in National Security Decision Directive 17, which allotted the CIA $19 million for Contra training and recruitment. Reagan’s support became an open secret that Congress strongly condemned and attempted to hamper by forcing Reagan to adhere to the Boland Amendments that proscribed US military aid to the Contras.

Later, Reagan attempted to re-garnar public support by giving the aforementioned 1985 address to the State of the Union. In this speech, the President ignored allegations that the Contras were committing terrorist acts and receiving drug funds. Given his intimate support of the Contras, he was cognizant of these actions. Instead, Reagan praised the Contras as “freedom fighters” who were “the moral equal of our Founding Fathers.” Following this speech, on 20 August 1985, the Iran-Contra scandal rocked the nation. The administration would not submit to the limitations prescribed by the Boland Amendments. Thus, Reagan ordered Colonel Oliver North to maintain his Contra commitments by having North funnel nearly $37 million to Contra forces through private donors and third-party countries, such as Saudi Arabia and Iran. Ultimately, Reagan disobeyed the law out of desperation because he knew that the Contras were an unpopular movement whose survival hinged on the continuance of extensive US support. The discovery that North supplied arms to Iran in exchange for Contra funds led Congress to cease all but some non-lethal aid in 1987. The widely televised nature of the Iran-Contra scandal overshadowed discussions of the more contentious US-Contra drug link.

During the Iran-Contra scandal, twelve Contra supporters were questioned concerning drug trafficking allegations. The probe into the Contra drug connection arose when Reagan tried to pass a $100 million Contra aid package. Backed into a corner, the administration admitted on 17 April 1986, its

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21 Ibid., 00:00:43.
28 Scott and Marshall, Cocaine Politics, 8.
knowledge of the Contra drug connection. However, the administration’s decision to preemptively release its report of guilt was a strategic attempt to influence the narrative. The report stated that the decision not to inform the public about Contra drug funding was because these funds pre-dated American support. In response to these allegations, Senators John Kerry and Christopher Dodd requested that hearings on Contra drug trafficking be conducted. Once approved, the Kerry Committee investigated drug trafficking in Nicaragua. In April 1989, the Kerry Committee released a report that outlined three crucial findings: 1) wars in Central America eroded already inadequate laws on drug trafficking; 2) no irrefutable evidence linked Contra leaders to drugs smuggling, but facets of the Contras (i.e. pilots, suppliers, and supporters) trafficked drugs through war zones; and 3) payments were given to drug traffickers by the US State Department using Congressional funds meant for Contra humanitarian assistance. The Kerry Committee was largely discredited by mass media because many of its sources were drug dealers, which led the public to discount its validity.

Despite Reagan’s sensationalised claims about the Contras being the equivalents of Washington and Jefferson, the administration supported the Contras as allies of convenience who appealed to Reagan because of what they opposed rather than the values they championed. Reagan’s overarching desire to destroy the “evil empire,” the fatalistic assumption that any pro-US movement was automatically democratic, coupled with Nicaragua’s geopolitical significance to the US, led the administration morally astray. In a riveting Human Rights Watch report (1989), the Contras were documented as “major and systematic violators of the most basic standards of the laws of armed conflict, including by launching indiscriminate attacks on civilians, selectively murdering non-combatants, and mistreating prisoners.” This characterisation of the Contras contrasts with Reagan’s depiction of the movement as exercising its fundamental democratic principles. Edgar Chamorro, former Contra Director, cited that the guerrilla movement had failed because they were not a nationalist independent force. Instead, the Contras were a US creation forged to manufacture friendly regimes in Latin America reminiscent of the Monroe Doctrine (1823). As a result, Chamorro described the Contras as a “proxy army” that had “no plans for Nicaragua because we were working for American goals.” For Reagan, stopping communist expansionism within the Americas outweighed any moral calculation to shield Nicaraguans from war and terror.

Nicaraguan civilians were not the only racialised victims to suffer due to the administration’s zealous prioritisation of fighting communism abroad. Most notably, African Americans suffered asymmetrically during the War on Drugs. The administration was complacent with the smuggling of cocaine into the US and the sale of cocaine’s derivative, crack, to fund the Contras when Congress outlawed Contra funding. Thus, instead of focusing on combating the importation of drugs, Reagan pressured law enforcement to concentrate on incarcerating domestic dealers and users. However, African Americans were overrepresented within these vulnerable populations. Fundamentally, these drug control initiatives failed to lower the number of users and dealers but were remarkably effective agents of social control in maintaining the strata of racial minorities and women. The War on Drugs strengthened institutionalised racism, perpetuated the overrepresentation of African American men in prison, and destroyed the black American nuclear family.

Crack’s asymmetrical impact within the African American community was caused by the concentration of these populations in poor inner-urban areas and the reconstruction of the job market.

31 Ibid.
34 Edgar Chamorro, Packaging the Contras: A Case of CIA Disinformation (New York: Institute for Media Analysis, 1987), 57.
This hypersegregation occurred following World War I due to the migration of African Americans to cities in search of industrial labour. During the migration, they were forced into crowded, decrepit neighbourhoods due to restrictive covenants, violence, and discriminatory real estate agents. Conversely, white families began to move into segregated suburban areas. In addition, the reconstruction of the job market towards university education occupations continued to deplete wealth from urban areas. Thus, impoverishment and long-term joblessness were associated with the consequences of poor health, PTSD, family dissolution, teen pregnancy, high school dropout, crime, and drug abuse. Then, the crack era hit. Crack cocaine became popular among African American dealers and users because it was easy to make and inexpensive to buy. Moreover, the high obtained from crack lasted for 10 minutes, which generated users who purchased at high-frequency rates. Consequently, crack use led to interpersonal violence, increased prostitution, child neglect, and family dissolution.

Reagan expanded the drug war by introducing a mandatory sentence of five years for crack cocaine possession and created sentencing disparities between cocaine and crack. These disparities led to racial and class imbalances since Reagan’s efforts focused on policing lower-socioeconomic urban areas that disproportionately housed African American families. Conversely, suburban white cocaine users were largely ignored by the news and police. In 1992, African American men represented 6% of the American population but constituted 46% of its prison population. The administration further increased the power of the FBI, whose drug enforcement budget increased by 1087% between 1980-1984. Thus, the Reagan administration prioritised penalization over treatment, which caused the incarceration rate for nonviolent drug offences to rise from 50,000 in 1980 to 400,000 in 1997. Ultimately, the administration’s enshrinement of sentencing disparities for cocaine and crack cocaine, reinforced systemic racism in the justice system.

On 13 July 1989, Jennifer Johnson was the first woman to be criminally convicted for giving birth to a drug “exposed” infant. The prosecution argued that during the 60 to 90 seconds before the baby’s umbilical cord was cut, Johnson had delivered a cocaine derivative through the cord. The court sentenced Johnson to 15 years. This ruling came despite the criminal justice system’s claim to protect children and not criminalise mothers. In many states, community members who knew of drug users that bore children must, by law, report them to the authorities as child abusers. Yet, the threat of losing custody or the benefit of food stamps discouraged women from seeking treatment. African American women used crack more than any other group because of their disproportionate presence in urban centres and lack of paternal support due to incarceration. From 1982 to 1999, African American children were twice as likely to be placed in foster care than white children. Ultimately, drug policies under Reagan cast maternal users as criminals who victimised their children rather than treating those mothers as victims in their own respect. This case study illuminates the stark reality of who was targeted in this War on Drugs. It was not drug kingpins but vulnerable African American women who struggled below the poverty line, coped by using drugs, and, thus, became addicted.

The US-backed Contra drug scandal of the 1990s was a tumultuous time for race relations, cemented in the context of the Los Angeles Police Department beating Rodney King (3 March 1991) and the subsequent LA riots (29 April to 4 May 1992). Moreover, increased internet access transformed

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37 Ibid., 117-118.
38 Ibid., 118.
43 Ibid.
44 Ibid., 613.
45 Ibid.
political discourse along racial lines, most famously illustrated in the O.J. Simpson verdict (3 October 1995).47 This racial polarisation extended to the public’s reception to the US-Contra drug connection. When San Jose Mercury News issued the web series Dark Alliance by Gary Webb, who alleged that the CIA had a hand in the spread of crack cocaine in South Central LA, it reaffirmed the suspicion that the American government perpetuated racial inequalities.48 When some African Americans (who directly experienced crack addiction in their communities) read Webb’s findings, it validated previously unsubstantiated beliefs. Adversely, mainstream media’s response (which maintained a majority white audience) dismissed the reactions of African Americans to Webb’s claims by characterising it as “black paranoia.”49 White Americans tended to view the scandal as a conspiracy theory because of the privilege and safety of their suburban neighbourhoods, which removed them from the drug war’s reality.50 In the case of the Contra drug link, however, where there was smoke, there was fire, and the so-called “black paranoia” was well-founded.51

A theme within the “great communicator’s” speeches was Reagan’s rhetorical signalling to the Second World War (WWII) when the American purpose was at its height. However, the end of WWII represented a new international order characterised by decolonisation. In its wake, foreign policy-making was complicated for the US because, despite possessing the world’s most advanced military hardware, gunboat diplomacy was no longer internationally acceptable for securing domestic interests abroad. Decisive victories and objective “evils” no longer characterised foreign intervention efforts. Instead, Congressional constraints and changing cultural attitudes caused covert operations and neocolonial pressures to become necessary tools to assert the American foreign agenda.

The War on Drugs is a painstaking case of institutionalised racism perpetuated within American domestic policy. The overrepresentation of African Americans in prison and foster care led many to deem the drug war an attack on African American families. Given this context, any meaningful efforts to reduce users and dealers must address the structures of institutionalised racism and intergenerational trauma that caused African Americans to be overrepresented in the “war’s” targets. Importantly, framing drug reduction policies as a war naturalises violence as an acceptable solution and transforms domestic users into state enemies. Incarceration is shown to have a negligible impact on decreasing the number of users, and prisons possess ineffective health structures to treat drug addictions.

In Nicaragua, the inability of Reagan to grapple with the consequences of American imperialism caused Nicaraguan politics to be framed within a greater American Cold War policy. The US had, since 1855 (through the filibustering of Nicaragua by William Walker), used its strength to shape Nicaraguan politics.52 The US tolerated human rights abuses committed by the Somoza regime so long as the country remained anti-communist. However, poverty and repression often fuelled the radical flame of local Nicaraguans. Instead of viewing a communist government as a consequence of American inadequacy to intervene against Somoza’s long-standing abuses, the US immediately took steps to erode Nicaraguan sovereignty by sponsoring the Contras. Moreover, American intervention was justified based on supporting democratic “freedom fighters.” However, the Reagan administration’s operations in Nicaragua can be characterised as undemocratic because they were taken without Congressional oversight, financed through illegal means (i.e. drug trade), breached Nicaraguan sovereignty, and violated the laws of armed conflict.

The principle of the end justifying the means was apparent in the American Cold War policy. In Nicaragua, the White House turned a blind eye to the illegal activities of foreign actors and operatives in exchange for combating communism. Indeed, even the egregious act of funding these initiatives through the clandestine sale of cocaine to the US domestic market was allowed to prosper unchecked.

49 Ibid.
51 Ibid.
Simultaneously, Reagan resurrected and intensified the War on Drugs. These efforts focused on expanding the budget of law enforcement to over-police urban areas of lower socioeconomic strata and measuring the war’s success in incarceration rates. This inherent tension between foreign and domestic policies was damning when set against the backdrop of the US as an ethical and democratic nation. In the end, while these instances have undermined the legacy of the Reagan administration, the real victims of Reagan’s foreign policy prioritisations were not those in the White House. Instead, the victims were the Nicaraguan civilians who died at the hands of Contra terrorism and the African American families who were fragmented by incarceration and the foster care system. The US Contra affair is an edifying example of how, when foreign policies take precedence over and direct domestic policies, vulnerable populations domestically and abroad are made to suffer.


https://www.reaganlibrary.gov/reagans/reagan-administration/president-reagans-addresses-nation


