

Venezuela to help Nicaragua after U.S. rebuff

- Story Highlights
- U.S. cancels \$62 million of aid from the Millennium Challenge Corporation
- Ortega: 'Obama expresses good will, but ... has same policies as Reagan'
- Ortega called the decision not to follow through on the payment 'disrespectful'

(CNN) -- Venezuela has promised to give Nicaragua \$50 million to replace money that the United States said this week it would withhold from the Central American country, Nicaraguan President Daniel Ortega Saavedra said Saturday.

Venezuelan President Hugo Chavez promised the aid after Ortega learned that the United States was canceling \$62 million of aid that was to have come from the Millennium Challenge Corporation, a U.S.-government-funded anti-poverty fund set up by former President George W. Bush.

Ortega expressed disappointment in President Barack Obama for the decision. "He expresses good will, but in practice, he has the same policies as President Reagan," Ortega told a crowd of supporters in Managua's Plaza of the Revolution.

In 1982, then-President Reagan supported funding the contras, the forces opposed to Ortega and his socialist Sandinista Party, which had come to power after overthrowing the U.S.-backed Anastasio Somoza in 1979.

Ortega called this week's decision not to follow through on the payment "disrespectful."

The United States had given its word to the people of Nicaragua and in particular to the people of the cities involved in the program," he said.

Wednesday's decision to cut the funds altogether came after the United States announced last November that it was suspending aid to Managua in the wake of what it said were fraudulent municipal elections.

Ortega, whose party members won most of the mayoralties, disputed that.

And he warned his U.S. counterpart that the world has changed since the United States funded the contras. "He is the first to know that the United States of today is not the United States of 20, 30, 40 years ago," Ortega said. "Today, the United States cannot do whatever it wants in the world. It doesn't have the moral force, even though it may have the material force to do it. They have even lost the support of the U.S. people."

Still chafing over his loss to Violeta Chamorro, who replaced him as president in 1990, Ortega said those were the elections that were fraudulent. He said President George H. W. Bush affected the outcome by telling the Nicaraguans, "If you vote for the [Sandinista] front, the war is going to continue; if you vote for the enemies of the front, go in peace." That was the promise that Bush made.

He described that pact as "a big lie, since the peace was already coming. We, the Nicaraguans, were making peace."

What Bush then wanted, Ortega said, was war throughout Central America. "He fed the war in Guatemala, he fed the war in El Salvador, he fed the war in Nicaragua," Ortega said.

Ortega described the three U.S.-backed governments that ruled Nicaragua from 1990 until 2007 -- when he reclaimed power -- as anti-democratic. "They robbed the people of the right to health, the right to education, the right to decent housing," he said.

"They privatized energy industry, the telecommunications industry, the businesses of the workers -- those were nothing more than acts of corruption."

And he said that the \$62 million would have been used to build 12 highways, not to support his government.

But work that has begun on two of the roads will be completed, said Rodney Bent, deputy CEO for the Millennium Challenge

Corporation in an interview Friday with CNN en Espanol.

He denied any suggestion that the money was being used for political ends rather than simply to alleviate poverty.

"That's totally false," Bent said, adding that his corporation's funds are doled out regardless of a government's leftist, centrist or conservative policies.

"We want a clean government," he said, adding that because the elections were not clean, "we had to act."

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