

**Congress of the United States**  
**Washington, DC 20515**

November 20, 2008

The Honorable Condoleezza Rice  
Secretary of State  
2201 C St NW Ste 7276  
Washington DC 20520

Ambassador John Danilovich  
Chief Executive Officer  
Millennium Challenge Corporation  
875 Fifteenth St NW  
Washington, DC 20005-2221

Dear Secretary Rice and Ambassador Danilovich:

We write to express our grave concern regarding the events leading up to and surrounding the November 9 elections in Nicaragua. We believe this gross manipulation of the democratic process by the Ortega government calls into question the continuance of Millennium Challenge Corporation (MCC) funding to Nicaragua.

The absence of national and international observers and representatives from all participating political parties to both the polling stations and official vote counts precludes the validity of the results, which unsurprisingly heavily favor incumbent Daniel Ortega's Sandanista National Liberation Front (FSLN). Prior to the elections, Ortega unilaterally banned two of the opposition parties in a calculated effort to consolidate his power. Additionally, he prohibited election monitors from the Organization of American States (OAS), United Nations, or the European Union from entering the country, and has accused them of being agents of the West. There were also reports that voter identification cards were only being distributed to FSLN supporters so as to prevent the opposition from having the ability to vote in the November 9 elections.

In addition, human rights defenders and journalists were treated with open hostility by Sandinista supporters in the run up to the elections. In October, government forces raided the facilities of the Women's Autonomous Movement and the media research group CINCO. In the days since the elections, hundreds of Sandinista loyalists have taken over Managua - blocking traffic, shooting explosives and attacking the opposition.

As a precondition to receiving MCC funds, the government of Nicaragua was evaluated on 17 key indicators of eligibility, six of which fall under the category of "ruling justly." It is clear that the Nicaraguan government has failed unequivocally in this category. Moreover, according to the U.S.-Nicaragua MCA agreement, the MCC can terminate assistance if it finds that Nicaragua is "engaged in activities that are contrary to the national security interests of the United States."

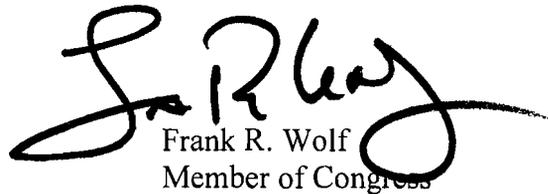
During the past year, the Ortega government has been increasingly engaged with Iran, a designated state sponsor of terrorism, and provided asylum to several members of the Revolutionary Armed Forces of Colombia, a designated terrorist organization. Clearly, this behavior runs contrary to the national security interests of the United States. In addition, the MCC can terminate assistance if it finds that “continued implementation of the compact would be in violation of applicable law or U.S. Government policy.” During and following the election, massive voter fraud took place, the opposition was locked out of the electoral process, and violence has gripped the streets of Managua. These actions run completely counter to premises included under the Foreign Assistance Act of 1961.

The mandate of the MCC is based on the assumption that “aid is most effective when it reinforces good governance.” The blatant thuggery demonstrated by the Ortega government is in complete contradiction with the culture of democracy that the MCC seeks to foster. While European governments have taken steps to withdraw their financial support from the Nicaraguan government, the voice of the U.S. government has been largely absent in the wake of the events that have transpired.

We should not let the noble legacy of the Millennium Challenge Corporation fall to the wayside. We ask that you send a clear and assertive message to Ortega, and all other authoritarian leaders around the world, by withholding Nicaragua’s MCC funding until it is adequately demonstrated that the Nicaraguan government is committed to demonstrating progress in ruling justly, investing in people and economic freedom. The United States should always seek to reward democracy and good governance, not implicitly condone authoritarian leaders by turning a blind eye to repression and corruption.

Thank you for your attention to this matter, and we look forward to your prompt response.

Sincerely,



Frank R. Wolf  
Member of Congress



Heiana Ros-Lentinen  
Member of Congress