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CANADIAN COMPLICITY IN U.S. MASSACRES IN CENTRAL AMERICA

On September 30, a number of Canadians will commit civil disobedience at the External Affairs Building in Ottawa to protest Canada's complicity in U.S. policy in Central America. This issue of Network is given over to an outline of U.S. policy and Canada's role in supporting it. These are facts of which every Canadian should be aware, and which the peace movement must consider in evaluating where it will go after the Cruise missile has been tested.

Follow-up on some matters raised in previous issues:

EAST TIMOR-The head of Australia's new Labour government has said we should "put East Timor behind us" and concentrate on making sound business deals with the Indonesian government. Once again the social democrats have sold out the people; the previous Labour leader was more inclined to support the struggle of the East Timorese against Indonesia's invasion (which still goes on and has thus far claimed the lives of 300,000), which is one reason the CIA arranged for the Governor-General to dismiss his government. Now Labour is back in but it's business as usual.

ASK AND YE SHALL RECEIVE: In the last issue we mentioned that our Gestetner had broken down and asked if anyone could help; our friends at Jubilation in Toronto promptly offered us a machine they had lying around. We can always use scrap paper with one clear side. Network may not be the best-looking alternative journal around, but with a little help from our friends we'll keep it coming out.

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 4-CounterSpy 6-3; 5-CounterSpy 6-4; 6-WIN 1-7-82; 7-NY Times 3-8-81; 8-CounterSpy 6-3;
 9-Perpetuating Poverty p122; 10-CounterSpy 6-3; 11-Spectrum interview; 12-Winnipeg
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 16-Canadian Labour June-Aug 81 p71; 17-Hansard p.0659; 18-Globe & Mail 27-3-82 p6;
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CANADIAN COMPLICITY IN U.S. POLICY IN CENTRAL AMERICA

by Gary Moffatt

"We have tied ourselves to U.S. policy whether we like it or not." The speaker is Liberal MP Stanley Hudecki, who in December 1982 has just returned from a trip to Central America with Conservative and NDP MPs organized by the Inter-Church Committee on Human Rights in Latin America. All three MPs expressed on returning the feeling that Canada should dissociate itself to a greater extent from U.S. policy, and were critical of Canada's voting record on the issue at the United Nations. (f1) The purpose of this paper is to present evidence in support of the claim that Canada is "tied to U.S. policy" in Central America to the point where it must take some of the blame for the continuing violence there. Part One will examine U.S. policy in Central America, Part Two the extent to which Canada is supporting U.S. policy.

PART ONE

THE USA'S ROLE IN CENTRAL AMERICA

In 1980 a popular revolution had ousted the Somoza dictatorship in Nicaragua, and similar revolutions seemed about to liberate the people of El Salvador and Guatemala from similar dictatorships; freedom for all three countries appeared to be "historically inevitable." By 1982, rebel spokespersons were still proclaiming that they would eventually be victorious but acknowledging that U.S. intervention had succeeded in postponing their victory, likely for many years. Since the fighting would likely have ended in all three countries before 1982 had not the USA intervened on behalf of rightwing governments in two and rebels in the third, the USA must bear responsibility for the deaths which occurred in that year. Nobody knows how many people have died, but church and human rights organizations believe that about 9,000 civilians and a quarter that number of soldiers died in Central American violence during 1982. (f2) This works out to about 216 people per week; every week in 1982 the USA has taken nearly as many lives as were lost when the Russians shot down a Korean jet late in 1983, taking 269 lives. But where are the mass media indignation, the cancellation of everything from air flights to circuses and Canadian Film Institute screenings, the statements of outrage in Canada's Parliament which marked the Russian atrocity? Canadians have been conditioned to apply a double standard to the crimes against humanity of the super-powers.

Central America consists of seven countries, of which three--Belize, Costa Rica and Panama--are not involved in the current violence and therefore excluded from this study. It should be noted, however, that there is a history of U.S. penetration and interference in each of these countries consistent with American domination in Latin America and much of the remaining Third World, a domination that has been consistently applied by both liberal and conservative White House administrations. In Costa Rica the USA helped the rightwing Figueres government take power in 1948, and in recent years has pressured the country into accepting a U.S.-dominated military buildup, a domestic austerity program and an anti-Nicaraguan foreign policy. These trends led to the murder by police of striking banana workers and violent breakup of student and worker demonstrations earlier this year. In Panama, the USA has maintained an intermittent military occupation since "helping" Panama attain independence from Colombia in 1903, grabbing a prime slice of Panama's land to build a canal under its own control. In 1977 the USA agreed to leave the canal by 2000 in exchange for a permanent "neutrality" treaty which gives the USA the right to intervene in Panama at its own discretion. Belize, whose population of 150,000 was granted independence from Great Britain in 1981, is threatened by claims of the U.S.-sponsored Guatemalan government that Belize is a province of Guatemala. Guatemala has broken trade and consular relations with Britain to protest its "unilateral" granting of independence to Belize and sent its army chief of staff (a brother of the president) to review troops along the border between the two

countries. (f3) U.S. pressure to accept American money, investment and foreign policy has polarized Belize, and with the USA training a 300-member Belize Defence Force there is a perception in many quarters of having exchanged one colonial master for another. In recent months the USA has dragged Honduras into its undeclared war against Nicaragua, and the ability of these three countries to resist similar pressure is questionable.

A. NICARAGUA

Nicaragua got its first taste of American military power in 1854, when a U.S. sloop-of-war destroyed the town of Greytown after a bottle was thrown at the U.S. Minister to Central America. In the previous year, the USA had coerced Britain into surrendering certain holdings, including protectorship of the Miskito Indians, on the first occasion on which former President Monroe's famous message to Congress thirty years earlier was referred to as the "Monroe Doctrine." The USA was considering building a canal through Nicaragua, despite the Clayton-Bulwer treaty with Britain which precluded such unilateral action, but eventually decided on Panama instead. In 1912 U.S. Marines occupied Nicaragua at its president's request, suppressing an insurrection and deporting its leader. They stayed until 1927, and in 1914 negotiated a treaty whereby the USA gave Nicaragua \$3 million for rights to build a canal and maintain a naval base. In 1918 the Central American Court of Justice, which had been created in 1907 with U.S. blessing, folded after its findings against this agreement were rejected by both the USA and Nicaragua. In 1927 the forces withdrew, but returned two years later to protect U.S. interests in a civil war being waged. This time they stayed until 1933, supervising three elections.

The revolution resulted from a sharp drop in the peasants' living standards, which followed the plummet of coffee and banana prices after the stock market crash. Peasants were evicted, workers' wages halved. Under Sandino's leadership, a guerilla army for several years defied the National Guard and 12,000 U.S. troops. They used sardine tins filled with stones as grenades, Springfield rifles stolen from the army and machettes, their flag flying from any handy stick as they moved through mountain thickets wearing strips of hide instead of boots. In 1933 Roosevelt persuaded the two sides to end hostilities; Sandino was invited to a meeting in Managua, and ambushed and killed en route by Somoza (who said U.S. Ambassador Lane had ordered the execution.) Somoza, who at that point was chief of the army, became President in 1936 with U.S. help (he also conferred upon himself the Cross of Valour, the Medal of Distinction and the Presidential Medal of Merit.) In power, he organized various massacres and grand celebrations for which he dressed up his soldiers in sandals and helmets. After 25 years he bequeathed office to his sons. The Somoza family controlled most industries and 10% of the land. Roosevelt had this to say of him: "Somoza may be a son-of-a-bitch, but he's OUR son-of-a-bitch." Nicaragua became known as one of the world's most notorious human rights violators.

Despite ever-increasing massacres, President Carter supported Somoza until his fall in 1979. By this point Somoza owned the two dozen largest companies in Nicaragua, plus over 8,000 square miles of land; the regime's greed was making the business community uncomfortable. When it became obvious that Somoza could not hold out against a virtually united population, Carter moved to "mediate" too late to prevent a victory by the rebel Sandanista army. Somoza fled with the treasury, leaving a national debt of \$4.6 billion and 40% of the country unemployed. A few days after becoming President, Reagan cut off all U.S. assistance to Nicaragua except a \$7.5 million AID program designed to strengthen private sector organizations by funding technical assistance to the confederation of business associations (COSEP) and its member organizations, lending capital to the independent cooperative association (FUNDE), assisting Red Cross and church community development projects, supporting independent labour unions through the American Institute for Free Labour Development, reinforcing the Central American Business School (INCABE) and funding U.S. professional exchange activities (LASFAU.) Recipients of U.S. aid are all

counterrevolutionary programs opposing Sandanista policy. At the same time, the USA permitted camps to train counterrevolutionaries in Florida and California. (f4)

In 1982 the USA equipped and armed former Somoza national guards exiled in Honduras, deploying them in border camps from which they launched heavy-casualty raids into Nicaragua. The USA sent instructors and advisers to prepare Honduran armed forces to back the planned invasion, while the CIA openly bankrolled groups hostile to the Sandanista government. Well over two hundred CIA agents were involved in destabilizing activities. CIA directory Casey flew to Honduras to inspect the anti-Nicaraguan operations, which were reportedly co-ordinated by the U.S. ambassador to Honduras. In 1983 the invasion began and civil war resumed.

The Miskito Indians of eastern Nicaragua have traditionally been isolated from the rest of the society, and resist Sandanista efforts to impose central authority by bringing in Cuban doctors, teachers and soldiers. Disclosures that the Indians' representative on the national governing council had been a Somoza informer led at one point to his arrest, but he was released following demonstrations by Indian supporters and subsequently collaborated with counterrevolutionaries in Honduras. CIA-armed Miskito insurgents joined Somocistas in raids from Honduras which killed 26 people around the beginning of 1981; Sandanista soldiers began evacuating the Indians from the border area, sometimes forcibly. AID financed a project through the Moravian Church to persuade young Indians to enter training camps, preaching a primitive brand of anti-communism. Often these Indians found themselves with no means of rejoining their tribes. In 1981, the USA displayed in the mass media photos of burning bodies which Haig claimed were Miskitos massacred by the Sandanistas; they were discovered to be instead victims of Somoza's forces in 1978 whose bodies were being burned by the Red Cross to prevent the spread of disease. The forced relocation of 10-15,000 Miskitos along the Honduran border by the Sandanistas was less a repressive measure than a reluctant response to Somocista attacks on the Indians to kill them or force them to join the Honduran-based movement against Nicaragua. An American Indian Movement delegation in late 1981 publicly supported the relocation of the Miskitos away from the border areas for their own safety.

B. HONDURAS

The USA has been manipulating Honduran politics since 1910, when U.S. financiers assumed servicing of the country's debts under a plan formulated by President Taft. Standard Fruit and United Fruit became accustomed to installing and removing governments at will; in 1931 they installed the Andino dictatorship which imposed sixteen years of martial law. One United Fruit executive remarked: "In Honduras, a mule costs more than a deputy." In 1962 agrarian reform laws were passed but not enforced; 1.5% of farmowners owned almost 50% of the total land. When the government attempted to nationalize the United Fruit Company, the USA demanded payment in American dollars from a country whose average yearly income was \$530.

From 1972 reformist-oriented military officers were forced to resign or transferred out of the country, leaving the army under the control of its most reactionary and corrupt elements. By 1980 the army, like El Salvador's, was kidnapping young men for service and shooting those who resisted; the rich youths were freed after their fathers phoned ranking colonels while the poor served. Although nearly half the country is illiterate, many literacy teachers are among those kidnapped. In 1981 Reagan authorized \$19 million CIA funds to create a paramilitary force along the Nicaraguan-Honduran border. In that year the Liberal Party under Cordova won power in an election after averting a military coup by giving the military veto power over ministerial appointments. With declining export prices, growing flight of investment capital estimated in the hundreds of millions of dollars, 21% inflation, widespread corruption, rapidly falling reserves in the national treasury and an unemployment rate of 24% Cordova saw no alter-

native to subservience to the USA. Most of the peasants are hungry, with 10% of the population receiving 80% of the Gross National Product. In 1982 the USA forced Honduras to negotiate an agreement with the much-hated Texaco company allowing it to operate "at a reasonable profit", to help U.S. banks free some of their assets from the bankrupt Honduran investment bank Banffnan, and to eliminate price ceilings on such items as milk, bread, medicine and eggs, placing them beyond the reach of the poor. Meanwhile the International Monetary Fund supervised cuts in government social spending and a shift in industrial emphasis from domestic self-sufficiency to a program of "export-led industrialization" aimed at producing labour intensive light-manufactured commodities for the U.S. market. (f5)

The CIA has a history of using Honduras as a staging base for its operations against Latin American countries, such as its invasions of Guatemala to overthrow a reformist government in 1954 and the ill-fated Bay of Pigs operation of 1961. In the late 1970s it encouraged a significant arms buildup. Between 1975 and 1979, Honduras was the fourth largest arms importer in the entire Central American-Caribbean region after Cuba, Mexico, and the Bahamas. Its Air Force, long referred to as the best in Central America, boasted Israeli-modified French Super-Mystere jets, Yugoslav-modified Canadian F-86 sabre jet fighters, A-17 combat planes from the USA as well as training and reconnaissance planes from Britain and the United States. It had British tanks, Israeli patrol boats and U.S. trucks and jeeps, as well as smaller U.S. equipment such as rifles, side arms, grenade launchers, mortars, recoilless rifles and communications equipment. Between 1971 and 1980 the USA trained 2,259 Honduran military personnel. By 1980 the USA had 37 military advisers in Honduras, and loaned the military on an extended basis at least ten "Huey" helicopter gunships. Honduras began providing logistical support for Somocistas and Miskitos invading Nicaragua from Honduras, and in late 1981 there were joint US-Honduran naval maneuvers not far from the Nicaraguan coast. Honduran forces collaborated with Salvadoran military and paramilitary forces to harass and sometimes murder many of the 20,000 refugees from El Salvador who have taken refuge in Honduras. (the USA paved the way for this by arranging the signing of a peace treaty between Honduras and El Salvador in 1980, and a mutual security agreement early in 1982 which also includes Costa Rica. Coupled with these measures was an unprecedented crackdown on leaders of peasant, student and leftist groups, at least 52 of whom disappeared during 1982. (f6)

In 1982 Honduras participated in massacres of peasants of El Salvador at Morazoa and Chalatenango, while the USA spent \$21 million to improve three military air bases near Nicaragua. In 1983 the invasion of Nicaragua was launched from Honduras.

C. EL SALVADOR

In 1932 U.S. and Canadian warships were stationed off the coast of El Salvador to support the Hernández dictatorship, which consolidated its power by slaughtering 30,000 machete-wielding rebels with machine guns (4% of the total population), and thereby left the country's elite in firm political control until the late 1970s. Nonetheless the USA conducted a public safety program to upgrade the Salvadoran security forces in 1957; in the next twenty years the number of peasants without land rose from 11% to 40% of the total. A priest commented in 1975: "the peasants live like serfs in Europe 400 years ago" if they are lucky (?) enough to survive at all. Less than 2% of the people receive 50% of the income; 75% of all children under five suffer from extreme under-nourishment which permanently damages their growth, and 10% die in the first year of life. Everyone over ten works, at wages half the minimum to maintain life. †

Political violence began in 1979, and escalated the following year when civilian members of the ruling junta resigned because "the military has failed to keep its political and economic promises." Many of the moderate officers too resigned, leaving the junta dominated by conservatives. There was a "land reform project" sponsored by the American Institute for Free Labour Development, but campesinos had negligible input and

leaders of their organizations were murdered by national guard and hacienda police. The USA has approved cancellation of the second stage of this program, while authorities favour rolling back the first stage. The New York Times reports that 272 of the 282 land reform cooperatives that were started operate at a loss. (f7)

By 1982 over 31,000 had been killed in the political violence, with a greater number starving in concentration camps. One hundred political murders per week are carried out by death squads; 535,000 refugees (11% of the population) have been forced to leave the country and another 4.3% displaced within it due to war and repression. The most prominent murder victim was Archbishop Romero, murdered after pleading that the USA withhold aid until reforms come. The New York Times carried reports of the success of the land reform program on the same day 798 peasants were massacred at Lempa River by bombing from helicopters. While the USA ships 343 tons of arms to the El Salvador government, a U.S. white paper claiming the USSR is arming the guerillas was proven completely false. 54 U.S. military advisers were sent to El Salvador while 1500 Salvadorean troops were trained at Fort Bragg in counter-insurgency. In 1981 an ex El Salvador soldier described the role of American Green Berets in joining combat missions dressed as the other troops and demonstrating torture methods on the prisoners, adding that the Salvadoran army is frequently sent into battle drugged with marijuana and no food. He told of American helicopters strafing campesinos in the fields with machine guns firing 1,600 rounds a minute. (f8)

In 1982 the USA staged nation elections which the left boycotted, realizing that they would be murdered if they participated. An even farther right government took power as a result.

D. GUATEMALA

In 1900, United Fruit chose Guatemala for development because of its prime banana land and what an official later called the "weakest, most corrupt and most pliable" government in Latin America. The Ubico dictatorship of the 1930s passed a law against Indian "vagrancy" to enslave the Indians on United Fruit plantations, shot a hundred trade union, student and political leaders who protested the law, cut wages to 30¢ a day, granted coffee and banana concerns the right to kill their workers and contracted with United Fruit (through the law office of John Foster Dulles) a 99-year lease on its lands which included total exemption from internal taxation, duty-free importation of all necessary goods and a guarantee of low wages. Ubico was overthrown in 1944 but United Fruit and other U.S. concerns continued to turn 90% of Guatemala's entire farm production to export crops such as coffee and bananas while importing food at prices the poor can't afford. 85% of United Fruit's 500,000 acres were kept idle while the peasants starved. In 1952 the reformist Arbenz government expropriated these idle lands, whereupon United Fruit's connections in the Eisenhower regime proposed a coup. This happened under U.S. direction in 1954; in his later book Mandate for Change, Eisenhower admitted the coup couldn't have happened without U.S. support.

The new government restored to United Fruit its confiscated land, which had been allotted to 200,000 Guatemalan peasants, and abolished taxes on interest, dividends and profits paid by American investors. Oil companies were permitted to extract fuel at will and export it in its crude state. The USA gave the regime over \$90 million in loans, arms and subsidies. Over 200 labour leaders were immediately killed and the union movement destroyed, with over 9,000 jailed and many tortured. Thousands more were killed by rightwing violence in subsequent years, many during a USA-sponsored counter-insurgency campaign in the mid-1960s. The peasants were reduced to starvation and virtual slavery. In 1961 Guatemala provided a training camp for the Bay of Pigs invasion in return for a U.S. promise of cash (which was never paid) and an increase in the Guatemalan sugar quota in the U.S. market.

In 1967 the right of plantation owners to kill their workers was revived; 2,800 were

killed that year alone by death squads, often organized by plantation owners, with death usually preceded by torture. A similar number of deaths occurred each subsequent year, while 50,000 children die each year of poverty. Amnesty International estimates 25,000 murders or disappearances 1968-82, mostly peasant farmers and urban poor; by 1982 the death toll had reached 20 a day. The 1976 earthquake which killed thousands more might be called a "class-quake" since its victims were mostly members of poor families who had been forced to build fragile dwellings on the precarious slopes of ravines and mountainsides. (f9) Many of the deaths were due to lack of transportation, food and clean running water, in a country which could easily feed itself and export food had the Arbenz reforms been permitted. In the years 1966-8 green berets participated in the slaughter of 8,000 Guatemalans, many with napalm dropped from U.S. planes, to wipe out a small guerilla group. Each year cotton brings plantation owners huge profits while DDT spraying produces high DDT levels to milk of peasant mothers.

In 1981, the USA organized support for a \$45 million loan by the Inter-American Development Bank to Guatemala and a \$110 million loan by the International Monetary Fund, abstaining from the actual voting on the loan to comply with a law passed by Congress in 1976 preventing it from supporting non-basic human needs loans to consistent human rights violators. Later, the administration cited its abstention vote to prove its "good faith" on human rights policy in an attempt to gain congressional approval for a \$2.5 million sale of helicopter spare parts sought by the Guatemalan military. At the same time, the U.S. administration got the IDB to lend the Salvadoran government \$30.8 million for road repairs in guerilla areas and pressured Nicaragua into withdrawing a request for a \$30 million loan for a fisheries development project. (f10) In 1982 Reagan re-established direct military shipments to Guatemala which were suspended in 1977 (although indirect shipments were consistently supplied) and endorsed the coup of Rios Montt just three weeks after another general had won a rigged election. Montt escalated the slaughter and announced that anyone found with a firearm would be immediately executed. His victims included teachers, who were killed at the rate of 30 a month. Only two male prisoners survived detention in Guatemala between 1980 and 1982; the rest were presumed killed. In 1983 Reagan supported the overthrow of Montt by officers even farther to the right.

The Indians of Guatemala have been especially victimized, with an estimated 50-100 killed each day since 1979 (this estimate shows the conservative nature of the casualty estimate quoted on page one.) Rarihokwats, spokesperson for the native peoples communication group Four Arrows, explains the government desire to kill Indians thus: "The Indians' love for the land, and roots in it, give them interests fundamentally at odds with urban businesspeople who see land as a device for making profits. Indian culture is based on simple justice--sharing and cooperation--at odds with business desires to exploit labour. The wealthy Guatemalans, on the other hand, have ties to the USA, they have a colony in Miami and many are U.S. citizens." (f11) Reports of a typical massacre in 1983 told how, after killing all the adults in an Indian village they were occupying, government troops skinned the children alive and threw their still-living bodies on fires (f12.) Often inhabitants of villages neighbouring one that has been massacred flee to refugee camps in Mexico, where church aid supplies them enough food to survive. They tell repeatedly of villages being bombed by U.S.-made helicopters, followed by assaults of troops who open fire on men, women and children, rape the women before killing them, and choke children to death or burn them alive. Refugees in Chiapas were estimated in June 1983 as between 70-100,000, despite the army's policy of creating a free-fire zone along the border and killing anyone they catch attempting to cross. (f13)

E. CONCLUSIONS

After writing a newspaper article detailing atrocities in Guatemala, a U.S. professor accused the USA of being an accomplice in "massive and unspeakable crimes." (f14) It would be more accurate to say that the USA is the main instigator of these crimes, and

that the accomplices are the governments and troops who carry out U.S. policy in Central America. It is useless to attempt to combat U.S. policy in Central America by treating it as an aberration which can be corrected once those in power realize what is happening. Network has already published detailed articles on events in East Timor and Chad to show that the USA is encouraging similar atrocities in other parts of the world, and if we were to examine the USA's general policy towards the Third World rather than concentrating on current "hot spots" a general pattern of exploitation backed by brutal force could be deduced. The USA rarely has to go to the lengths to which it has in Central America to enforce this policy; it usually gets its way by controlling Third World sources of loans through its domination of the International Monetary Fund and World Bank. However, the USA has had no compunctions about threatening Third World countries with nuclear attack (twenty times since 1945) and engineering violent overthrowing of reformist governments in such countries as Guatemala, the Dominican Republic and Chile.

A history of U.S. penetration of the Third World also shows that these policies have been fairly consistent under conservative and liberal White House regimes. Franklin Roosevelt's talk about a "Good Neighbour Policy" did not prevent him from helping Somoza take power in Nicaragua or Batista in Cuba, and Jimmy Carter's opposition to repressive regimes was more rhetorical than real. The danger in personifying a Lyndon Johnson or Ronald Reagan as the instigator of massacre in Vietnam or Central America is that of assuming that a change in administration will solve the problem. U.S. imperialism can only be perpetuated by attempts to deal with it in terms of personalities or immediate issues. Similarly, the support of these policies by other countries such as Canada can only be understood and combatted in terms of these countries' economic subservience to the USA.

PART TWO

CANADIAN COMPLICITY IN U.S. POLICY IN CENTRAL AMERICA

Canada may be accused of complicity in U.S. policy to the extent to which it has supported these policies. We will examine four aspects of Canadian complicity--diplomatic support, foreign aid, trade and investment policy and military aid.

A. CANADA'S DIPLOMATIC SUPPORT OF U.S. POLICY

Perhaps the most succinct history of Canada's response to the U.S.-induced violence in Central America was written by Hugh McCullum, editor of the United Church Observer, in the Canadian Forum (f15): "When Reagan accused Nicaragua of supplying arms--a charge the U.S. media later refuted--Canada was properly shocked. When Reagan massively increased aid to the embattled junta, Canada was extremely cautious in questioning such activities. When Reagan was under heavy pressure to resume military aid to Guatemala, Canada said little. When the program of destabilization of Nicaragua was initiated by the Pentagon and State Department, Canada's opposition was muted. Our policy was still to concentrate all our efforts on the Caribbean and to ignore as much as possible the Central American holocaust." Like church groups, labour groups have condemned Canada's failure to take a stand; in 1981 Dennis McDermott on behalf of the Canadian Labour Congress expressed "deep disappointment" at the failure of the federal government to intervene in El Salvador as concerned governments; not only in Central America but in Europe and elsewhere, wanted it to. (f16) In the main, Canada's sins in the area of Central American diplomacy have been sins of omission, of failing to oppose U.S. policy, rather than of commission, of actively supporting it, though we have done this whenever circumstances forced Canada to declare itself one way or the other.

One such occasion was the so-called election which occurred in El Salvador on March 28, 1982. Each country's support or opposition became a political issue. Such countries as Mexico, France, Denmark, Ireland and the Netherlands favoured postponing the elections until after an end to the armed conflict could be negotiated and a halt called to all foreign arms shipments, pointing out the absurdity of trying to carry out democratic elections where an average of 25 people a day were being tortured to death, the leftist opposition was intimidated out of participating in the election and the army had over-

turned the results of three previous elections in the late 1960s, 1972 and 1977. (f17) Canada, however, joined the USA and its satellite dictators in such countries as Argentina, Brazil and the Philippines in supporting holding of the election immediately. Canada argued that it could not on principle oppose a democratic election; Foreign Affairs Minister MacGuigan predicted that a large victory by President Duarte would give Duarte the strength to curb the excesses of his military partners. (Alas for his prediction the election--in which 800,000 voted and a million did not--an even more right-wing government under the terrorist D'Aubuisson was elected.) (f18) Canada refused to endorse a call by Mexico and France for a negotiated settlement prior to the election (f19), and even abstained from a United Nations vote denouncing human rights violations in El Salvador because it called for a negotiated settlement prior to the election; the vote passed anyway 25-5 with the USA, Argentina, Brazil, Uruguay and the Philippines in opposition. The Canadian Rights and Liberties Foundation called Canada's abstention another example of its "branch-plant relationship" with the USA in foreign policy. (f20) MacGuigan did hedge his bets a little by refusing to send official observers, pointing out that they would be mere mute witnesses lacking the power to judge and report the fairness of the vote, though in so doing he undermined his own position that Canada was supporting a "democratic election." (f21) As D'Aubuisson chucked Duarte's land reforms but continued his massacres, MacGuigan announced that Canada would recognize the new government but give moral support only if land reform and similar internal changes were continued. Canada's lack of official participation in the election was counterbalanced by the enthusiastic participation of Tory MP Sinclair Stevens, who claimed that the elections had been fair and that the left had chosen not to participate to avoid embarrassment over receiving a low vote. (f22) Frances Arbour, executive director of the Inter-Church Committee on Human Rights in Latin America who visits Latin America regularly, took a more realistic view on the elections: The opposition could not have participated in them. It would have been suicide." (f23)

Canada also recognized the Rios Montt dictatorship in Guatemala, which MacGuigan said was "making the right sounds about reform." (f24) He did not explain how such sounds could be heard above the rifle-fire of troops slaughtering Indians. Not even the murder of a Canadian in rural Guatemala could move the government to action; its MPs blocked the unanimous consent needed to debate an NDP motion that the Canadian government protest the 1980 murder of a Canadian community development worker in a CIDA-sponsored Canadian Friends Service Committee project in rural Guatemala and pressure the regime there to ensure the safety of other Canadian Non-Governmental Organization workers.

Canada uses two lines of argument to support its policy in Central America, one that Canada has no special interest in the area and that there is in any case justification for the actions, the other that more can be done to change U.S. policy by "quiet diplomacy" than by taking a public stand against the USA. The first of these claims was voiced by MacGuigan during a dispute over whether he had promised Canadian "acquiescence" or merely "quiescence" to U.S. arms shipments to El Salvador, in violation of a U.N. resolution which Canada had supported in 1980 calling for termination of all military assistance to the junta. He stated: "I am not aware that we have any serious obligations to that part of the world, in Central America, which is not a region of traditional Canadian interest," and expressed the view that the revolution was an attempt by Soviet-armed revolutionary forces to overthrow the legally established Duarte regime. (f25) It is true that Canada has not had a great deal of involvement in Central America, with only two full embassies, but as Frances Arbour points out Canadian churches have been involved in the area for decades through development programs, church partnership schemes and missionaries: "We have come to understand that there are very important root problems in those countries where the majority of the populations have been struggling for a decent standard of living. Church members are working there and finding more and more oppression." She adds that the role of the USA has turned a regional question into a global one in which Canada has a part to play. (f26) Most Rev. Adolphe Proulx, Bishop

of Hull and chairperson of the Inter-Church Committee for Human Rights in Latin America, discounts claims that the Communist countries are fighting in Central America: "As for the supposed imperialistic intent of Cuba in Nicaragua, they have sent volunteers to help in the campaigns for literacy and health, but as far as soldiers and the army is concerned, they're hiding themselves very well if there are any significant numbers." (f27)

The "quiet diplomacy" argument has been cited by (among others) Canada's United Nations Ambassador, Gerard Pelletier, who claimed in an interview that such diplomacy is "less glamorous but more effective" than the more open strife of the 1950s and 60s: "The growth of our overseas development assistance agency, the technological contributions Canada has made recently, may well account for a greater if quieter impact than we ever had previously." Lauding Canada's penchant for multilateral diplomacy, he said Canadians "like to think of ourselves as virtuous and farsighted internationalists, which maybe we are to a certain extent." (f28) In view of the well-documented assistance Canada's diplomacy and foreign aid have given to U.S. foreign policy, such comments at best seem fatuous. After Allen MacEachen replaced MacGuigan as Foreign Minister, an unidentified diplomat claimed: "Our credibility with the U.S. is much better when MacEachen meets with (U.S. Secretary of State George) Shultz and says 'We can't be with you for the following reasons.' We have a better chance of influencing (through that method) than mouthing words and adding to a chorus" of U.N. protest. But there is little evidence that MacEachen or any other senior Canadian official has in fact addressed Shultz in this fashion. The diplomat claims that Latin Americans prefer to discuss their problems within the Organization of American States, but Central American specialist Tim Braimin at Toronto's Jesuit Centre for Social Faith and Justice strongly disagrees, stressing that many Latin American states have written off the OAS as a forum for reconciling regional disputes. He says the most useful efforts to resolve the crisis of popular insurrection against repressive Central American regimes now go on in the so-called Contadora Group comprising Mexico, Venezuela, Colombia and Panama, which are trying to get Central American factions to negotiate with one another bilaterally. Canada has announced support of the Group's efforts to negotiate a process of discussion, dialogue and reconciliation. (f29)

Often MPs find their visits to Central America an eye-opener. Conservative Walter McLean returned from the Inter-Church Committee sponsored trip mentioned at the outset of this essay critical of Canada's mission to the United Nations for supporting the establishment by El Salvador of a human rights commission, which he labelled a "smoke-screen" to satisfy international opinion, pointing out that members included the head of El Salvador's national police force who is responsible for many of the killings. (f30) A month later, Immigration Minister Lloyd Axworthy visited Honduras and returned highly critical of the treatment of the 250,000 Salvadoran refugees there. (f31) On returning from a two-week visit by a parliamentary subcommittee on Canada's relations with Latin America, former Foreign Minister Flora MacDonald spoke enthusiastically of the young Nicaraguan politicians (the average age of the members of the cabinet is 27) and bureaucrats who she met and saw trying to rebuild the shattered, poverty-stricken country. She expressed the belief that Canada should help Nicaragua rebuild and work to end the isolation of Cuba. (f32) Such visits have been credited with saving lives in El Salvador by the former head of the Jesuit order in Central America, who urges more MPs to visit while rejecting Reagan's claim that human rights have improved in El Salvador. (f33)

However, the efforts of individual MPs cannot be confused with official government policy, and here there is no evidence of any serious Canadian opposition to U.S. policy in Central America. Sometimes the press would have us believe otherwise; for instance, an April 1983 headline of the Toronto Globe and Mail ran the headline "Trudeau accuses US of interference in Central America." However, a couple of days later an unidentified "U.S. senior administration official" denied that Trudeau had in fact done this, suggesting that all he had done was to oppose any intervention in Central America, which is not the same as accusing the USA of intervention. A careful reading of the earlier story bears out this interpretation. Trudeau had said: "There are major divergences, beginning

with the fact that we object to the interference in the internal affairs of other countries by any major power even if that power is our friend. We certainly said that to the United States before, and we said it to Cuba, and we will keep saying it." (f34) The U.S. official went on to say that, although "perspectives differ somewhat" the two countries have shared interests in the region and no real differences. (f35) Certainly differences between the two have not been as major an issue as they were when Johnson lifted Pearson by the lapels and shook him for expressing Canada's reservations over the U.S. role in Vietnam, which Canada had nonetheless generally supported. It is unclear whether the Globe's misrepresentation of Trudeau's position in its headline was careless or deliberate, though the fact that this was the major page one story while the correct interpretation by the U.S. official was buried on page 11 four days later shows that there was no great concern with correcting it. Among those taken in was NDP leader Ed Broadbent, who felt that Trudeau's implicit endorsement of Reagan's arming of Honduran attacks on Nicaragua after he visited Reagan contradicted his earlier statement (after the visit Trudeau accused Nicaragua of exporting trouble, implying endorsement of Reagan's claim that the Nicaraguan government is supporting revolutionary movements in neighbouring countries such as El Salvador and that this justifies U.S. actions.) Broadbent accused Trudeau of supporting Reagan's policies during the visit while saying just the opposite to Canadians, but Trudeau was able to demonstrate that he had consistently opposed Communist arms shipments to Central America. (f36) He had never really questioned the U.S. position.

B. HOW CANADA'S FOREIGN AID SUPPORTS U.S. POLICY

The Globe is not the only newspaper to attempt to portray more antagonism between Trudeau and Reagan than actually exists. In May 1983, the Toronto Star reported Trudeau as having voiced "serious concerns" that Reagan is "warlike and so hostile against the Soviet union that he can't be trusted," and pledging a policy of seeking more money from the International Monetary Fund for international development. (f37) Trudeau subsequently denied the Reagan criticism but not the quest for more IMF funds, which sounds very impressive to anyone who doesn't realize that the IMF is working for exactly the same goals as Reagan, namely coercion of Third World countries to concentrate on industrial development for the profit of the elite rather than social reforms to improve the lot of the starving masses. Like the World Bank and various other international lending institutions dominated by the USA (all of which Canada supports), the IMF aids various elitist Third World governments on condition that social welfare projects be curtailed and the economy diverted from local self-sufficiency to export of whatever the USA wants the country to export.

MacGuigan defined a foreign aid policy for Canada based on mutual economic interests of the elites governing Canada and the Third World countries, rather than humanitarian concern for the poor: "We have to begin thinking of foreign countries as sources of investment, skilled labour, technology, energy and strategic resources. Foreign countries also provide opportunities for Canadian investors and entrepreneurs, and they thus become potential partners." He also talked of plans to provide training in Canada for army, police and coastguard officers from Caribbean countries, not mentioning whether this would include training in torture techniques similar to that supplied Third World police forces who attended CIA-sponsored courses in such institutions as the International Police Academy in Washington and International Police Services Inc. While pushing for North-South negotiations, Canada has consistently followed and supported U.S. positions in these negotiations. A summit was held at Cancun Mexico in October 1981 but broke down when Reagan insisted that subsequent negotiations be carried on through such "established" (i.e. U.S.-dominated) international institutions as the World Bank and IMF, which would be allowed to make the final decisions. The following January, Trudeau and Portillo met to discuss possible means of resuming this discussion.

and after but not during the Allende regime and to the Dominican Republic's military dictatorship installed by the USA in 1966. Exceptions were Canada's aid over U.S. objections to Cuba (which brought considerable trading benefits to Canada but was terminated in 1977) and Jamaica (which was however greatly increased when a government favoured by the USA took over in 1980.)

In recent years there has been a lot of talk about foreign aid meeting "basic needs," but 75% of the World Bank's agricultural credit still goes to medium and large landowners; in Latin America 70% of the Bank's agricultural credit subsidizes livestock production, which feeds the affluent in other countries. Canadian aid is distributed through the Canadian International Development Agency, CIDA, which in recent years has decreased money spent on rural development and education while increasing spending on power production and distribution, transportation, and other schemes to benefit ruling elites. 80% of Canada's aid is tied to the condition that products and equipment used be bought in Canada, which usually costs the recipient country 20-25% more than if it could buy on the open market. (f39) Thus, the taxpayers who provide the aid are forced to subsidize uncompetitive Canadian industries. In 1974-5 23 firms accounted for 60% of the total equipment transferred to the Third World under Canada's tied aid, over half of them subsidiaries of U.S. companies. In April 1970 the Last Post cited one example of CIDA's greater concern for the Canadian supplier than the host country; CIDA had paid a Canadian consulting firm to complete a study of how Belize City could get rid of its picturesque canals, which serve as open sewers, chalking up the payment as aid to Belize even though nothing was done to implement the project. Canada has no human rights policy to guide its aid-giving, and there is no mechanism through which Canada's representatives to multi-lateral institutions are accountable to the Canadian public or parliament for the decisions they make behind closed doors. 30% of the World Bank's planned disbursements for 1979, totalling \$9 billion, were slated for 14 countries known for their flagrant human rights violations.

Fortunately for Central America, this region has never had a high priority in Canada's foreign aid program. It was the last in line to receive Canadian aid, with preference going to what many politicians call the "Commonwealth Caribbean" where Canada has a tradition of economic penetration preceding the British North American Act and to former British colonies in Africa and Asia where English or French is widely spoken. Canada resisted pressure from the USA to join the Inter-American Development Bank from its creation in 1964 until 1972, during which period it nonetheless provided \$10 million per year. Canada joined the IDB in 1972 under pressure from the corporations, claiming that membership was "helping Canadian suppliers to become more familiar with Latin American markets and increasing the interest of Latin American buyers in Canadian goods and services." (f40) Between 1972 and 1981 Canada provided Central America with over \$60 million in bilateral aid with Honduras and El Salvador, the poorest countries in the region, getting the biggest share.

In 1981 Canada joined another dubious U.S.-sponsored initiative in Latin America, the Caribbean Basin Initiative, most of whose funds went to the rightwing Central American governments (\$128 million for El Salvador, \$70 million for Costa Rica, \$35 million for Honduras, \$60 million for the Caribbean Common Market countries of which Jamaica's new rightwing government got \$50 million, nothing for Nicaragua, Cuba or Grenada.) While Canada tried to stress the program's economic development role, Reagan unveiled it with typical anti-Communist sabre-rattling including a promise of a further \$60 million in military aid to El Salvador. By giving most of the Caribbean Common Market countries' funds to Jamaica, Reagan hindered Canadian-supported efforts for regional integration of these countries. (f41) After a leaked American National Security Council document indicated that the CBI is part of the USA's destabilization policy in Central America, Southam columnist John Walker wrote: "Either the Canadian government knew from the start that the CBI was one small but very public aspect of the American strategy for destabilizing Nicaragua and frustrating any Cuban or Communist designs in Central America, or it was very naive." (f42)

Canada attempts to obtain a great deal of diplomatic mileage by pointing out that it started an aid program to Nicaragua in 1981 contrary to U.S. wishes, extending a \$15 million credit line over the next five years, while in 1980 Canada suspended aid to El Salvador and Guatemala. By February 1983 Canada had sent the Sandanista government \$11.5 million in aid; at this time MacEachen hinted that Canadian aid could be endangered if Nicaragua delayed holding elections or built up military forces (f43), ignoring the fact that these moves were dictated by the obvious preparation of an invasion from Honduras. Canadian representatives at the multilateral lending institutions have consistently voted to lend money to El Salvador and Guatemala (f44), using a dodge often employed by the USA by ostentatiously suspending bilateral aid to an unpopular government while seeing to it that the aid keeps flowing via the international lending groups. In 1981 MacGuigan refused to tell the House of Commons how Canada had voted on a decision by the IMF to grant El Salvador an \$85 million loan, but it may be inferred that Canada supported the decision from his additional comment: "Canada has a long tradition of treating matters before bodies such as the IMF as economic matters and not as political matters. We do not apply any ideological tests to our aid or to our action before international bodies." The same principles governed Canada's vote on a \$194 million loan for El Salvador from the Inter-American Development Bank. (f45) Parliamentary critics of the decision pointed out that the IMF had also loaned Somoza \$66 million a few weeks before he fled with the national treasury.

When Pauline Jewett later questioned an Inter American Development Bank loan to Guatemala to finance a rural telephone project which would benefit the security forces rather than low-income rural groups, MacEachen gave the standard reply that no political considerations enter into decision-making processes of international financial institutions, whereupon Jewett pointed out that the IDB and IMF frequently do employ political considerations in making decisions. She cited the granting of an \$85 million IMF loan to El Salvador (over the opposition of all European countries except Italy) despite the fact that the application did not meet the standard IMF criteria for granting a loan; "They did not even establish the existence of a balance of payments shortfall which was supposed to be the reason for the loan being granted." Loans to Argentina and Guatemala were also based on considerations other than their failure to meet the standard criteria, while governments of which the USA disapproves are unable to obtain IMF or World Bank loans. (f46)

Another frequent problem with Canada's foreign aid policy is its habit of dumping unwanted surpluses on recipient countries whether or not they can be used there. A striking example occurred after the 1976 earthquake in Guatemala, which as we have seen affected mainly the poor. Canada at this time was trying to get rid of a \$200 million milk powder surplus and sent \$700,000 worth to the earthquake victims. Canadian officials claim this shipment was made at the request of the Guatemalan government, but a study of the aid effort leaves the impression that milk powder was on the short list of what Canada advertised to be available. The shipment ignored the fact that an estimated 60-90% of the Third World's population lacks the enzymes necessary to digest the lactose in cows' milk, and much of the population (especially in disaster situations) lacks clean drinking water to mix with the milk. Large sections of the population of Guatemala found the powder indigestible, and many suffered diarrhea and serious illness; much of the Guatemalan milk wound up being sold to the middle-class residents of Guatemala City in corner stores. It was reported in 1981 that CIDA still retains faith in milk powder aid. (f47)

Canada's policy towards political refugees from Central America is also nothing to write home about despite its attempts to gain mileage from those who have been admitted; over 70% of Latin American political refugees are turned away (many consequently remain in their homeland to endure incarceration, torture and execution.) In 1977 Canada introduced a "security certificate" procedure as part of Bill C-24's major changes in the

Immigration Act, which enabled the immigration department to deport any refugee without giving the victim the right of self-defence or providing its case for deportation. One immigrant from El Salvador, journalist Victor Regalado, was arrested in January 1982 and charged with being a "subversive" on the basis of one of these security certificates signed by Immigration Minister Axworthy and Solicitor General Kaplan, charging him with nothing specific and containing no details or information he could use to defend himself. After being held two months in jail he was released for the balance of court procedures due to public pressure; Le Devoir had denounced his jailing as a "totalitarian act" and the publisher offered to post a \$20,000 bond for his release. The head of the Human Rights Commission, four Quebec MNAs, 3 federal MPs, 2 Catholic bishops and thousands of Canadians petitioned for his freedom. (F48) The security certificates are in effect government edicts that use "national security" to circumvent the rule of law and right of an accused to self-defence.

The Financial Post announced in April 1982 that Canada is prepared to offer its "considerable expertise" in resource-based development schemes to Central America, where each of the seven countries is looking ahead to such schemes--forestry in Belize and Honduras, hydroelectric power in El Salvador, mining in Guatemala and Nicaragua, and fishing all along the Isthmus. (f49) Since Canada is itself the host of more foreign investment than any other country in the world, it is debatable whether Central America can profit from our "expertise." Because most Canadian bilateral "aid" to Honduras is tied and Honduran "needs" mesh with available Canadian goods and services, the major CIDA projects in that country are forestry and hydroelectric development. Canada is the fourth largest bilateral donor to Honduras (\$43.7 billion in the past three years, with another \$70 million contemplated in the next five years) despite its human rights violations and attack on Nicaragua. (f50)

C. HOW CANADIAN TRADE AND INVESTMENT SUPPORTS U.S. POLICY

Canadian investment in Central America dates back to the turn of the century, when tycoon William Van Horne, who had built the CPR, won notoreity for his ability to extract scandalous concessions from governments while building railways across Cuba and Guatemala. He said of Guatemala: "we asked for everything we could think of and we got all we asked for." By 1970-6 881 Canadian firms were investing abroad; those who invested in the Third World were obtaining a 14.3% rate of return, a figure well ahead of the rate of return on operations within Canada. Central America represents only 5.4% of Canadian imports and 4% of its exports to Latin America, the majority of Canada's trade being with the middle income countries (Brazil, Venezuela, Mexico, Chile and Argentina,) where there are significant markets for Canadian industrial profits. Two-way trade between Canada and Central America in 1981 was worth \$350 million, with an \$81 million trade balance in Central America's favour; trade is dominated by a few items--70% of Canada's imports are coffee and bananas, 21% Nicaraguan metals principally gold. Many of the region's problems in recent years stem from a squeeze caused by a drop in world prices on coffee and bananas while oil prices rapidly rise. (f51) Nonetheless, an External Affairs spokesperson defended Canada's decision to start sending an ambassador to Guatemala in 1982 on the grounds that "Guatemala remains one of the most financially sound countries in the region, the one where Canadian businessmen see the most opportunity." As for human rights, "The ambassador is somebody who can address human rights in Guatemala. There is nothing to be gained by not being there." (f52)

One of industry's least savoury Central American enterprises got underway officially in July 1977, when President Laugerud of Guatemala, wearing a revolver on his hip, officially opened Exmibal, a mine 80% owned by INCO. While he called for progressive social relations between the company and its 750 workers, it became clear that his government intended to continue its repression of popular and trade union groups which had seen 8 assassinations in 1976 alone, the main victims being trade unionists, students, lawyer peasants and others participating in popular movements; many of the victims were first tortured. With less than 3% of Guatemalan workers unionized, the average worker's inc

didn't cover half that needed for a minimum diet for a family of five. The government had completely overlooked national interests in its negotiations with INCO, taking too few precautions against ecological damage and permitting the company to regulate both the rate of resource extraction and marketing and pricing practices. Taxation concessions to Eximbal included provisions for the government to channel its rent on the resource into equity ownership in the company in order to gain a 30% participation within five years. This amounted to paying INCO twice, once by forgoing direct equity participation from the start on the basis of the value of its natural resource heritage, and again by using the peoples' taxes on the company to belatedly buy it. The Canadian government didn't do very well in its dealings with INCO either; CIDA loaned it \$67 million to develop the mine, the Export Development Corporation \$20.75 to set it up, and various tax incentives were also provided. INCO repaid Canada's generosity by laying off 2,220 workers in Sudbury and another 600 in Thompson. The layoffs were less attributable to the start of operations in Guatemala than INCO's lack of foresight in over-producing nickel in Canada during the previous year in the expectation of an economic upsurge, then making the workers pay for its miscalculation while the company made a profit of \$95 million in nine months of 1977. (53) However, had the mines in Guatemala and Indonesia (another notorious human rights violator; see the paper on East Timor in March Network) been successful there would have been a long-term loss of more Canadian jobs. However, INCO found that mining lateritic ores in these countries requires more energy than does mining hardrock ore in Sudbury, and shut down many of its overseas operations while keeping these options open in case Sudbury workers should launch another strike like the bitter one of 1978-9 they were forced to fight to obtain fair wage increases, or the government should object to its nickel smelters being the largest single source of acid rain in the world, a fact which hardly helps Canada's efforts to persuade the USA to take measures against acid rain. In Guatemala the stop and start of lateritic mining has harmed the economy, encouraged genocide of native peoples whose lands are wanted for the mining, and reinforced powerlessness of the people; the government killed 3,000 guerrillas and peasants whose activity was delaying start of the INCO project. (f54) The INCO case is a striking example of the ability of corporations to play off governments against one another. Canadian corporations that invest abroad are allowed to deduct from Canadian taxes not only the taxes paid to other countries, but also the taxes they should have paid but didn't because of tax haven arrangements; the corporations are allowed to bring back to Canada dividends on which they pay no tax in either Canada or the third world country. (f55)

Although the INCO fiasco and Nicaragua's expropriation of Noranda mining operations have discouraged private investment in Central America, a number of firms remain active in the area. Canadian interest in the area stems from Van Horne's railway in Guatemala and a Winnipeg securities firm's sale of "banana lands" in Central America for \$20 an acre to the present with the Royal Bank of Canada holding 15% of Nicaragua's debt to private foreign banks and Noranda operating at a large profit. Canada granted less than 1/5 as much aid for emergency relief during the civil war as it had after the Guatemalan earthquake of 1976, historically a less significant disaster. Over a dozen major Canadian corporations are active in Guatemala, mostly in mineral extraction, and the Bank of Nova Scotia has loaned \$5 million for a hydroelectric plant originally intended to supply locomotives and parts of Guatemala's railways, and there is Canadian interest in crucial telephone and highway projects as well. Typically, SOFATI of Montreal saw its contract to build a highway maintenance training centre changed to a school for military training. Other well-known Canadian businesses with investments in Guatemala include: Brascan Ltd. (through Lacana Mining,) the Molson companies, Moore Corporation and West-coast Transmission Co. Like El Salvador, Guatemala supplies General Foods coffee--\$17 million per year, mainly Sanka and Maxwell House.

\$20 million worth more of coffee from El Salvador is consumed in Canada each year. Major Canadian governments in El Salvador are Canadian Javelin (mining) and the Moore

Corporation (business forms.) Canadians also constructed and ran the country's electrical system, which was completely nationalized by the Salvadoran government in 1977. In the midst of a civil war, Canadian dollars are financing a strategic hydro-transmission line whose total cost is \$10.3 million. Although such projects are ostensibly civilian, they are all vital to the smooth running of the military. Sinclair Stevens, whose appointment rather than Flora MacDonald as external affairs spokesperson in the "shadow cabinet" bodes ill for the upcoming Conservative government, has links with Canadian firms with massive investments in El Salvador--Sisman Shoes, Adanac, Geometrix and Spar Aerospace. (f56) We have already seen Stevens busily endorsing the 1982 election in El Salvador, and shudder to contemplate his role as External Minister. Several other Conservative MPs are also encouraging Canadian businessmen to cement commercial ties with El Salvador and promoting junkets by these businessmen to the country. A Toronto precision machinery manufacturer who owns Geometrix Ltd. (which supplied part of the Canadian component of the U.S. Columbia space shuttle) said after meeting D'Aubuisson that he hopes to supply the government and army with replacement parts for their helicopters. (f57)

Thus Canada finds considerable profit from Third World countries including Central America due to cheap labour and freedom from taxation. The industries thus created enable the ruling elite to obtain export credits which it spends on luxury imports while the workers sweat at below-subsistence wages. Canadian workers are also harmed by these projects, as they enable the corporations to transfer their jobs to Third World countries if the workers seek decent wages.

D. HOW CANADA ASSISTS THE U.S.-BACKED MILITARY OPERATIONS IN CENTRAL AMERICA

Canadian military involvement in Central America extends back to the 1930s, when Canadian mining engineers helped track down Sandino's troops in Nicaragua (f58) and two Canadian destroyers, the Vancouver and the Skeena, anchored off the coast of El Salvador and offered to disembark marines and armed sailors to help dictator Hernandez suppress a national uprising. Hernandez, who with his machine guns was quite capable of slaughtering the machete-wielding peasants without Canadian assistance, respectfully declined the offer and entertained the Canadian officers for a few rounds of golf while 30,000 people were being exterminated. (f59) Canadian involvement in the current massacres in Central America is not this direct, but neither is Canada entirely innocent. In May 1983 it was estimated that \$1 million worth of arms are being pumped into Central America every day, the USA being the leading arms supplier. (f60)

Pratt & Whitney Aircraft of Canada Ltd., based in Longueuil Quebec, has used \$80 million in Canadian GRANTS to develop an engine favoured for its use in counterinsurgency aircraft, the PT6A, which are installed in Israel's Arava 201 counter-insurgency plane which carries two dispatchers plus 17 fully equipped paratroops, and can be equipped with two .5" Browning machine guns, seven 68 mm rockets and an aft-firing machine gun. 25 of these planes were sold to El Salvador 1973-9, and an unspecified number to the Guatemalan and Honduran air forces and to Somoza's Nicaraguan air force. The PT6A engine is also used in a Brazilian military patrol aircraft, the EMB-111, twelve of which were shipped to El Salvador in the year preceding Somoza's fall. Pratt & Whitney is owned by United Technologies, one of the biggest "defence" companies in the USA. Thousands of peasants have been murdered or abducted by planes using this engine, which is known as a "civilian arm" and therefore classified as civilian goods by the Canadian government. Throughout the 1970s Canada was consistently ranked in the top ten among the world's arms merchants, according to the Stockholm International Peace Research Institute. The statistics, however, understate the facts because they refer only to major weapons systems. A great deal of Canadian arms trade is in components, and if these were taken into account along with "civilian" sales Canada's standing as a purveyor of war material would be much higher.

Canada contributed \$149,000 of the \$9 million being spent by the inter-American Development Bank to replace the Golden Bridge (Punte de Oro) after the guerrillas blew it. The railroad bridge two months later. Re-

building it will restore a strategic connection between guerrilla-occupied territories in the eastern third of the country and the government-occupied territories. The new bridge will be less vulnerable to sabotage than the old, with spare supports stocked nearby and checkpoints at either end, a guard tower in the middle and floodlight platforms to guard against water attack. Since guerrillas have destroyed over 70 bridges in the past 3-4 years, and since roads and bridges are the battleground of El Salvador's civil war, building a bridge in this area can ONLY be considered a military project.

Canada's Spar Aerospace is manufacturing an infra-red surveillance system with which the military hopes to be able to detect guerrillas from the air, without going to the trouble of defoliation. This system has been tested by the U.S. Navy in the Gulf of Formosa and is designed to prevent any aid reaching the El Salvador guerrillas, and to detect their land movements. Spar, which receives millions in Canadian government assistance, calls its project a \$100 million deal. And in Guatemala, Canadian funds are slated for a rural telephone scheme in a mountain area of peasant resistance where only the military could profit from such a project. (f62)

Since production and shipment of ammunition from Canada involves at least four government departments--Supply and Services, Defence, Industry, Trade and Commerce and External Affairs, we should not be surprised that bureaucratic bungling enables the CIA to divert some of this ammunition from its European NATO destination to Nicaragua's right-wing guerrillas, as came to light when a New York Times reporter found cases of Canadian 7.62 Ball ammunition, standard NATO equipment, in a rightwing camp. Nicaragua's ambassador to Canada and consul-general in Toronto were both quick to absolve Canada of any blame and suggest that the ammunition had been diverted by the CIA, (f63) but certain questions remain. At best Ottawa officials are confused about procedures for exporting ammunition and weapons. External Relations Minister Lapointe's claim that about fifteen countries to whom Canada has sold arms in the last 10-15 years are obliged by export permit regulations not to re-sell it to a third party without informing Canada was contradicted by Mary Walsh, director of External Affairs' export control section, who said there is no legal prohibition; the rule "doesn't really bind them to anything. It's a matter of good faith. (f64) Her list of countries to which Val Cartier, the Quebec City manufacturer of the ammunition, had received permits to export ammunition since 1971 did not include the USA, but Val Cartier's transportation manager said shipments had been made recently to the USA as well as to two other countries not listed at External, Belgium and Indonesia. Walsh was unable to explain the discrepancy. Does anyone in Ottawa know--or care--where Canada's arms exports wind up?

Canadian weapons have been used in Central America in a variety of ways, all directed against the people as they attempt to free themselves from one of the bloodiest systems of empire in world history.

E. CONCLUSIONS

Although Canada is not directly involved in the massacres of Central America, it has supported the USA, which is primarily responsible for the massacres, in a variety of ways and is therefore complicit to what is happening. This being the case, we must ask why the main stream of the Canadian peace movement is choosing to ignore this situation and instead continue to address its energy to the futile--and in any case symbolic--opposition to Cruise missile testing. We are forced to conclude that these so-called peace activists are more concerned over a possible danger to themselves than the very real torture and massacre that is happening in other parts of the world. Yet these events are closely related; as past issues of Network have showed, the real reason for U.S. escalation of the arms race is to maintain its control over Third World countries. The peace movement should be simultaneously making demands on the Canadian government consistent with the enormity of this situation, such as withdrawal from NATO and NORAD, and realizing that there is no way the Canadian government can or will respond to such demands until basic social change has been implemented.