Venezuela to find a regional solution to the civil wars of Central America, appeared to be no nearer to success than before. Conflict in Nicaragua was in fact increasing. The investigation of US arms sales to Iran and the revelation that profits had been diverted to the contras in Nicaragua demonstrated that at least some White House officials were determined to go to great lengths to bring down the government of Nicaragua. The latter in turn was not prepared to negotiate with its enemies, although it had accepted provisions of the Contadora Plan that would have prevented it from interfering in the affairs of its neighbours.

A new plan for ending the conflicts in Nicaragua, El Salvador and Guatemala was agreed to by all five Central American Governments in August. The complex provisions of this agreement, which had been proposed by Costa Rica, were still being worked out at year's end! They included arrangements for dialogue between governments and opponents in all five countries. A key to any solution was bound to be the question of whether United States military aid to the contras would be resumed, and this was likely to depend in turn on perceptions in Congress of the good faith of the Sandinista government in carrying out the terms of the Five Power Agreement.

Canadians have shown unusual interest in these matters--unusual because Central America had not, until recently, ranked high in Canadian policy priorities. The 40 year dictatorship of Somoza in Nicaragua, for example, never attracted much Canadian interest or even concern. Public attention began to focus on the region in 1979 with the overthrow of Somoza, followed in 1980 by the election of President Reagan and the extraordinary importance he attached to the presence in Central America of a government apparently allied to the Soviet Union. As the level of violence in the