

The first visit of a Canadian Foreign Minister was regarded by the Costa Ricans as a symbolically important indication of Canada's increased interest in the region and a demonstration of support for Costa Rican democracy and its policy of neutrality. In a troubled region, the democratic institutions of Costa Rica stand out as robust and effective. I made it clear that Canada would be significantly increasing developmental cooperation with Costa Rica.

The visit to Bogota provided a most useful perspective on the Central American region. The Betancur government has strong credentials: as a stable democratic government, which has recently concluded very significant peace negotiations with most of the guerrilla factions in Colombia; and as a driving force behind Contadora. A coincidence of outlook in many areas and evidence of some economic recovery provide a promising foundation upon which effective and mutually beneficial bilateral relations can be built.

Honduras is struggling to root a new democratic tradition in difficult soil. Historically, Honduras has been a battle field for its neighbours' wars. Low prices for Honduran staples and the continuing recession in Central America have struck the Honduran economy in much the same manner as its neighbours. As the second poorest country in the hemisphere, we have committed to Honduras a high level of aid. These projects, which are concentrated in agriculture, forestry and rural electrification, are designed to help the most needy sectors of the country. The amounts provided are at present limited by the absorptive capacity of the Honduran economy.

As you know, Mr. Shultz suggested, on the eve of my departure, that I include El Salvador in my Central American tour. I told him that, in principle, I had no objection to the inclusion of El Salvador, but my schedule was already tight and I judged it inappropriate to make an official visit at the height of a Presidential election campaign. Since my return, El Salvador has completed that electoral process. The reports of the Canadian observer team at both rounds of the El Salvador elections have reinforced my view that the decision to send official Canadian observers was correct. Their purpose was to report on the process and so provide the Canadian Government and people with an informed basis on which to judge the elections. On the basis of the last report of our observers, I believe that the electoral authorities in El Salvador should be applauded for the courage, tenacity and competence with which they discharged their duties in challenging circumstances. I would also wish the apparent President Elect, Mr. Duarte, good fortune and continued strength of purpose as he embarks upon the hazardous course of national reconciliation.

In addition to informative discussions on the increasingly serious refugee problem, I was able to review our aid efforts in Central America with representatives of the