Peace and the peace plan are the overwhelming preoccupation in Central America now. Naturally, other issues arise. Let me deal briefly with two of them: conditionality of aid, and the resumption of our program to Guatemala. There has been a suggestion that, in the special circumstances of Central America, Canada should abandon the principle of not using our aid for political purposes. Part of the reason Canada is respected in the world is precisely because our aid has been designed to help the poorest, the most needy. Other countries, including the United States, use aid for political leverage, and their reputation reflects their practice, as ours reflects our practice. If we make an exception in Central America, we would begin to discount that distinctive, valuable Canadian principle. I discussed the question in Central America, including with President Arias, who understands and accepts Canada's policy. make the point that it would be consistent with our practice to consider help to special multilateral mechanisms the five presidents might jointly establish to promote democratization or compliance or other specific purposes, in the region as a whole, and as part of the evolution of the peace process.

We are maintaining active development projects in Nicaragua, Honduras, Costa Rica, and El Salvador, and have announced our intention to resume bilateral aid to Guatemala. We will follow in Guatamala the precedent established two years ago in El Salvador, which allows control of our aid to rest in Canadian hands, at least until the program is well launched. That system has proven very effective in El Salvador. Some critics in Canada believe Guatemala should continue to be left out of bilateral programs, because of their human rights record. Unquestionably, abuses of human rights continue. The questions are whether the democratically-elected government of President Cerezo has made enough progress on human rights to justify resumption of aid and whether it is now safe for Canadian aid workers to deliver that program. The Guatemalan Human Rights Commission in exile, the Inter-American Human Rights Commission of the OAS, the U.N. Special Representative for Guatemala, and Amnesty International have all noted signs of improvement in Guatemala under the civilian government, while indicating, as we would agree, that abuses continue. My judgment is that there has been progress, and that bilateral aid relation with Canada will encourage further progress on human rights in Guatemala.