At that time, the U.S. was tempted to respond militarily. It did not, partly because various efforts were launched to find a peaceful solution. One of those efforts was launched by the Organization of American States. That effort failed.

There was then an abortive coup. Finally, there was the declaration by General Noriega that Panama was in a state of war with the United States. That was followed by the murder of a U.S. serviceman - who was in Panama as a result of U.S. treaty rights -and the harassment of his family.

That was the context of the U.S. action. Democracy had been attempted. It was thwarted. Peaceful solutions had been sought. The search had failed. Finally, after a murder and the declaration of a state of war, the U.S. decided to take action.

The important lessons of Panama go well beyond that episode. They relate to the social and economic conditions which have prevented democracy to grow firm roots. They relate to economic injustice and a history of human rights abuse. And they relate to a failure to build regional institutions which can prevent crisis from erupting and defuse them when they occur.

The challenge for Canada - and for the other states of this hemisphere - is to make intervention obsolete - obsolete not simply in law or practice, but obsolete in <u>purpose</u>. And the only way to do that is to help make democracy and prosperity not only the common rhetoric but also the common reality of the region.

The national doctrine which has provided the underpinning to past U.S. actions in Latin America is the Monroe Doctrine. This has its historical roots in the desire to exclude old European empires from this hemisphere and to preserve American economic advantage in the region. Latterly, it has been related to keeping communism out.

It is a historical fact that this has had its share of unfortunate consequences, not the least of which was an "anyone but a Communist" attitude whereby dictatorships divorced from the needs and aspirations of the people were accorded approval and support. Those regimes, in turn, through repression, economic mismanagement and denial of democracy, acted to exacerbate the very social tensions and inequalities which are the raw material for communism.

The lessons of this experience litter Latin American history. For Canada, the task ahead is to capitalize upon the current opportunity to encourage democracy, to build a new prosperity, and to construct a true community of nations in this hemisphere.

Those ambitious goals require hard work from the bottom up.

Our Latin America strategy is multi-faceted. Government has a role here. But so too does the private sector and individual Canadians. We must construct a web of new relations and understanding across many sectors.