

In August 1987, immediately after the Guatemala peace agreement was signed, Mr. Clark dispatched senior Canadian officials to deliver an offer of further Canadian support to the foreign ministers in Central America. Mr. Clark travelled to all five countries of the region in November 1987, to underscore Canada's willingness to help. The offer was warmly received and remains on the table.

On his return, Mr. Clark appointed a senior diplomatic representative, Mr. Richard Gorham, to serve as roving ambassador for Latin America and to chair an interdepartmental working group on Central America. He also established a special House of Commons committee to review and monitor the peace process.

As Prime Minister Brian Mulroney recently said, "Canada stands ready to undertake a peace supervisory role anywhere in the region where it might be helpful, provided the Central American governments themselves desire our involvement and create a framework for effective action."

Supporting Economic Renewal

While the adoption of the Arias plan was a historic moment for all five signatories, the regional economy remains plagued by low commodity prices, crippling foreign debt, and major distortions arising from continuing military conflict. The Arias plan recognized the need for massive economic restructuring in the region.

An important aspect of Canada's support for peace and stability in the region has been the tripling of government to government bilateral assistance between 1982 and 1987 to \$105 million. Nearly \$170 million has been given in total direct assistance, which includes non-governmental channels. As a region, Central America is now the second largest per capita recipient of Canadian aid in the world. Mr. Clark reaffirmed this commitment to development during the course of his November 1987 tour of the region.

The Canadian International Development Agency (CIDA) is supporting throughout Central America a wide range of practical projects from day care for single parents to water purification, electrification and dairy

projects. With funding from the federal government, Canadian non-governmental organizations are participating in numerous projects such as teaching orphans and providing rural health care in Honduras, and training farmers to repair machinery in Nicaragua.

Consistent with established Canadian foreign policy, these initiatives combined with an active refugee program, have been designed to meet the needs of the poorest in the target countries without attaching political conditions to the allocation of aid dollars. Canada maintains development programs in Nicaragua, Honduras, Costa Rica and El Salvador and has decided to resume bilateral aid to Guatemala.

Cautious Optimism

Recognizing that peace is an essential ingredient in effective development efforts, Canada is following the implementation of the Central American peace plan with cautious optimism. As a result of the plan, the international community has witnessed efforts at national reconciliation in Nicaragua, El Salvador and Guatemala. In March 1988, an important limited duration ceasefire was agreed to between the government of Nicaragua and the contra forces. While events

in Central America unfold rapidly, Canada firmly believes that the region must be allowed the time and flexibility to resolve its own difficulties.

The Canadian government applauds recent developments in the region as an assertion of Central America's distinct destiny. With its commitment to establishing "the climate of liberty that democracy ensures," the Arias initiative provides a good basis for ending the cycle of repression, poverty and conflict that has hampered the development of the entire region, and immeasurably altered the lives of hundreds of thousands of its people. Canada's offer to be of practical assistance in the verification and control process remains open, and bilateral development assistance will continue to increase, as the Central American nations carry forth their search for a homegrown solution to a tragic and complex set of difficulties.

Canadian Secretary of State for External Affairs Joe Clark meets with President Oscar Arias Sanchez of Costa Rica.

(Photo: Denis Drever)

